



Common Ground by Bianca Gardiner

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# GENDER PAY GAP EMPLOYER STATEMENT

WORKPLACE GENDER EQUALITY AGENCY

FEBRUARY 2024

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KING&WOOD  
MALLESONS  
金杜律师事务所

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## KWM'S COMMITMENT TO GENDER PAY EQUITY

KWM is actively working to address gender inequity within and outside our firm. We recognise that while this is a fundamental human right and regulated employer obligation, it offers additional benefits including high business performance, client satisfaction and stronger communities.

We focus on action and are proud of our success in making pay equity analysis core business, with a goal of no unexplainable like-for-like gender pay gaps for all roles and mitigating identified gaps within our control. We have a range of measures embedded in our annual remuneration reviews, as well as ongoing hiring and promotions processes to eliminate potential gender pay variances. This forms part of our broader gender equality strategy to deliver sustainable structural and system reform.

# CONTEXT TO OUR DATA

## OUR FIRM

KWM is the top tier international law firm from Asia. We offer market leading services across:

 <b>Banking &amp; Finance</b>	 <b>Capital Markets</b>	 <b>Competition and Antitrust</b>	 <b>Construction</b>
 <b>Corporate Governance</b>	 <b>Digital Economy</b>	 <b>Dispute Resolution and Litigation</b>	 <b>Energy, Resources and Infrastructure</b>
 <b>Environmental, Social and Governance</b>	 <b>Intellectual Property</b>	 <b>International Trade</b>	 <b>Labour and Employment</b>
 <b>Mergers and Acquisitions and Private Capital</b>	 <b>Real Estate</b>	 <b>Restructuring and Insolvency</b>	 <b>Tax</b>

## IN AUSTRALIA, WE HAVE:



5

PHYSICAL OFFICES



190+

PARTNERS



950+

LAWYERS  
(EXCLUDING PARTNERS)



680+

SHARED SERVICES  
AND SUPPORT TEAM  
MEMBERS

## UNDERSTANDING OUR DATA

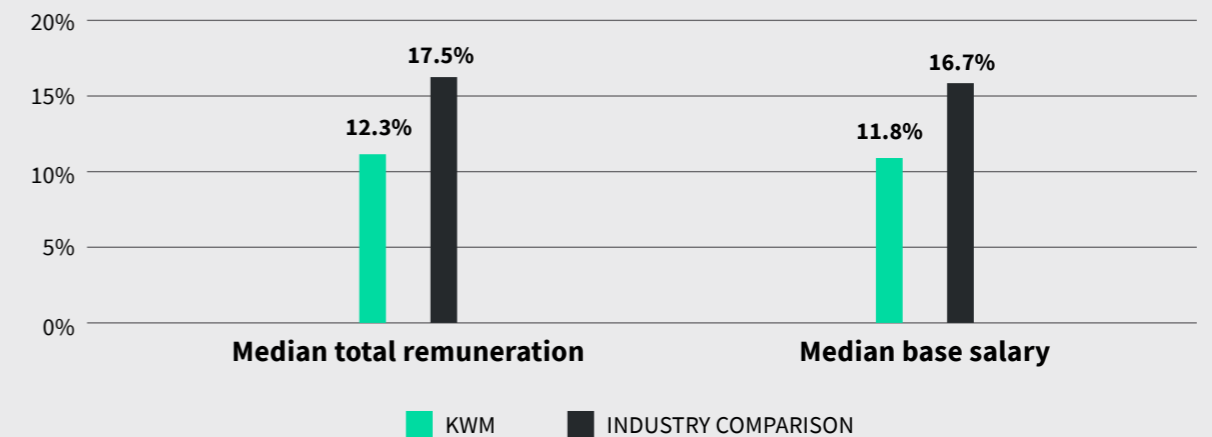
In this report, we focus on three workforce categories based on people's roles:

- **Legal** – this includes everyone who has a legal role such as Partners, Senior Associates, Solicitors, and Graduate Lawyers (please note Partners are not included in our gender pay gap reporting)
- **Shared Services** – there is a variety of teams in this category including People and Development, Finance, Business and Development, Technology, Applied Legal Technology, and more
- **Support** – this category is primarily made up of our Practice Assistants who work closely with the legal teams.

## WGEA ORGANISATION-WIDE GENDER PAY GAP

Each year, KWM submits data to WGEA as part of our annual compliance reporting to calculate our gender pay gap based on our workplace profile. For the period 2022-2023, WGEA has determined:

- Our median total remuneration gender pay gap is **12.3%**
- Our median base salary gender pay gap is **11.8%**



While compared to industry benchmarks, KWM has a lower organisation-wide gender pay gap, we are not complacent. We remain vigilant to do everything within our power to prevent and remediate pay gaps where we can.

### FURTHER ANALYSIS BY KWM

In addition to the WGEA analysis, twice a year we conduct our own gender pay gap analyses to review pay data in a way that meaningfully aligns with our specific organisational structure. This includes:

#### LIKE-FOR-LIKE ANALYSIS



Compares average base salary and average total remuneration for women and men doing the same role, or comparable work.

#### ORGANISATION-WIDE ANALYSIS



The difference between the average base salary of men and women, and the average total remuneration of men and women across the whole organisation (legal, shared services and support).

Our organisation-wide analysis looks at average base salary and average total remuneration, which is a slightly different approach to the most recently published WGEA results. This gives us greater insight into the data by understanding any outliers in pay equity which can be disguised using median only analysis. We are using this as an interim measure until 2025 when WGEA moves its reporting to average base salary and total remuneration data.

#### LIKE-FOR-LIKE ANALYSIS

Across our different **Legal career levels**, remuneration differences are low. They vary between 0% and 3%, some favour women and some favour men

Across **Shared Services career levels**, there is a 0% to 6% difference, mostly in favour of women

Shared Services comparisons of roles are more complex because different functions/roles attract different pay premiums in the market at the same career level. For example, men's predominance in higher paying functional areas, such as Information Technology, impacts Shared Services analysis. We are conscious of this societal trend and monitor this area in our work.

### ORGANISATION-WIDE ANALYSIS

#### FINDING THE ORGANISATION-WIDE PAY GAP...

We look at every base salary of every woman and calculate the average women's base salary

Then we do the same for men's base salaries

The final step is to compare the women's average base salary with the men's average base salary and express the difference as percentage

The organisation-wide analysis means counting and comparing all legal, shared services, and support roles (excluding Partners). This analysis looks at the difference between the *average* men's and women's base salaries.

Our organisation-wide pay gap for 2023 is 9% in favour of men.

	KWM	INDUSTRY COMPARISON
Organisation-wide/Average total remuneration	9%	14.2%



## DRIVERS OF OUR GAP

### WHY WE HAVE AN ORGANISATIONAL-WIDE GENDER PAY GAP

The significant driver of KWM's pay gap results from a segment of our workforce being employed in traditional feminised clerical and administrative roles. These attract lower market value pay than other roles in the firm. This is an issue across the legal industry and is not unique to KWM.

Our clerical and administrative employee group comprises 84% women. These roles are paid less than the average KWM role, but commensurate with required skills qualifications and pay levels in the external market when recruiting.





*Internal analysis shows that if we exclude clerical and administration roles, our organisation-wide pay gap is 0.8% in favour of women (salary) and 0.5% in favour of women (total reward).*

Our ability to close our organisation-wide pay gap remains heavily contingent on recruiting far greater numbers of men into clerical and administrative roles. This is a significant challenge when operating within a recruitment market influenced heavily by societal factors and occupational segregation where women make up the majority of available candidates.

As WGEA notes, changes to this representation remains an industry-wide challenge and requires long term structural workplace changes. It reports that since 1998, 'female' representation in clerical and administration roles in Australia has only decreased by 0.2%, from 75.8% to 75.6% (WGEA, [Gender segregation in Australia's workforce](#), 17 April 2019). In recognition of this, KWM will continue to encourage men into these roles, while also contributing to broader social reform through leadership and advocacy.

## ACTIONS TO ADDRESS THE GAP

KWM recognises that addressing the pay gap is complex and requires action across multiple areas. The following focus areas reflect the primary work being undertaken to optimise impact:

-  **Annual remuneration reviews**
-  **Attraction and recruitment**
-  **People Value Proposition and employee benefits**
-  **Leadership and advocacy**

### ANNUAL REMUNERATION REVIEWS

KWM runs a comprehensive annual remuneration review process, maintained to ensure best practice. This involves reviewing market data, peer data and undertaking gender analysis to ensure no gender bias in our decision-making processes across each stage of the process (for example, by team, by location, by role).

We conduct briefings to all decision makers annually as the review process starts, including specific training on gender bias awareness in decision making and strategies to overcome this bias. Final review reports are submitted to the Executive Team and Board to ensure leadership and accountability at the highest level.



## ATTRACTION AND RECRUITMENT

In 2023, we reviewed and updated our attraction and recruitment process to enhance our engagement with a diverse pool of candidates. This included:

- Revised job advertisement templates to eliminate gender-based language and include explicit messaging to encourage all people to apply
- Engaging with our recruitment agencies and sharing our newly launched PVP to refresh our approach to seeking diverse candidates
- Maintaining high performance when recruiting for clerical and administration roles by continuing to offer competitive pay rates against our industry.

## PEOPLE VALUE PROPOSITION (PVP) AND EMPLOYEE BENEFITS

Our new PVP, 'Learn.Master.Lead' reflects what makes KWM a special place to work and build a career. It is designed to attract people who have a mindset of curiosity and an appetite for continuous learning; a commitment to excellence and mastering their craft; and influencing, inspiring, and leading others to do the same.

Our PVP is an important element of our pay gap response as it offers potential employees a clear and supported career pathway making us an employer of choice, while also enabling existing KWM women to develop their skills and move into higher paid positions, thereby reducing the gender pay gap. This includes targeted leadership and development programs for women, family-friendly policies to support parents and carers, and people networks and working groups that directly contribute to identifying focus areas for action and continuous improvement.

## Leadership programs

Gender equality is embedded in selection processes for leadership programs to ensure equal access to opportunities and progression. Last year, we grew our leadership offerings and introduced Flourish, a unique leadership development program created to inspire and support KWM women.

## Mentoring and sponsorship

KWM's PVP also includes a range of mentoring and sponsorship opportunities for women, which we broadened to reflect greater intersectionality in recognition of the compounding nature of discrimination and disadvantage for people who identify with multiple diverse identities.

## Employee networks

Employee diversity and inclusion networks actively guide organisational change with consultation being embedded in organisational direction and priorities. These also create belonging, supporting retention and psychosocial safety.

## Employee benefits

We reviewed and updated our suite of employee benefits and policies supporting gender equality including:

- Flexible Work Policy
- Parental Leave Policy which includes 26 weeks leave (covers fertility treatment leave, pregnancy loss leave, and paid and unpaid parental leave for people who are formally responsible for the day-to-day care of a child or children whether through birth, adoption or fostering)
- Family and Domestic Violence Leave

- Gender Equality Policy
- Equal Employment Opportunity Policy
- Meeting Times Policy
- Time Back Policy (Rest & Recovery and Time in Lieu)
- Swap Pay for Leave Policy
- Support for parents and carers (employee benefit policies and programs)
- Health and wellbeing support and services (including free access to select health and medical services)



## LEADERSHIP AND ADVOCACY

Leadership and advocacy are important in remediating our gender pay gap.

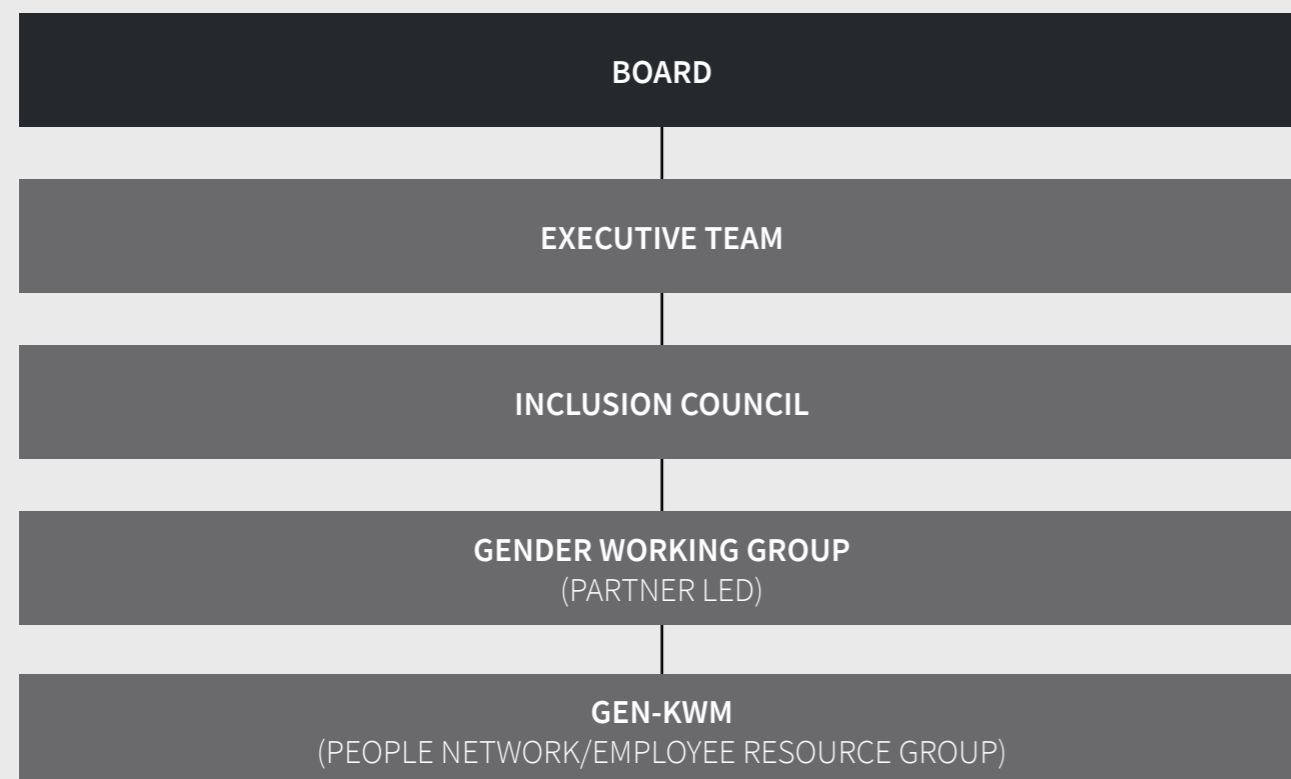
### Within KWM

As a top tier law firm, we are privileged to contribute to improving legal and justice systems, by ensuring gender equality is valued and celebrated. Chief Executive Partner, Australia, Renae Lattey is the custodian of the firm's culture and actively leads our diversity and inclusion work, supported by leaders across all levels of the firm.

Our gender equality work sits within our diversity and inclusion portfolio and is fundamental to business operations. This is reflected in our 3 Year Plan which includes the provision of a safe and inclusive culture for our people; and learning, leading and developing others. It is also a key focus area within our Responsible Business Plan (ESG) in our efforts to share knowledge and create opportunities to build stronger and more equitable communities.

Our Inclusion Council facilitates our governance structure and supports our working groups and employee networks that cover a span of diversity areas. Inclusion Council members represent a cross-section of our work in this space, enabling our intersectional approach to be dynamic. We understand that individuals have multiple identities and lived and living experiences which can compound their experience of discrimination and disadvantage. By applying an intersectional lens, we are streamlining system reform and creating a more understanding and respectful workplace.

## KWM AUSTRALIA'S D&I GOVERNANCE MODEL



### External to KWM

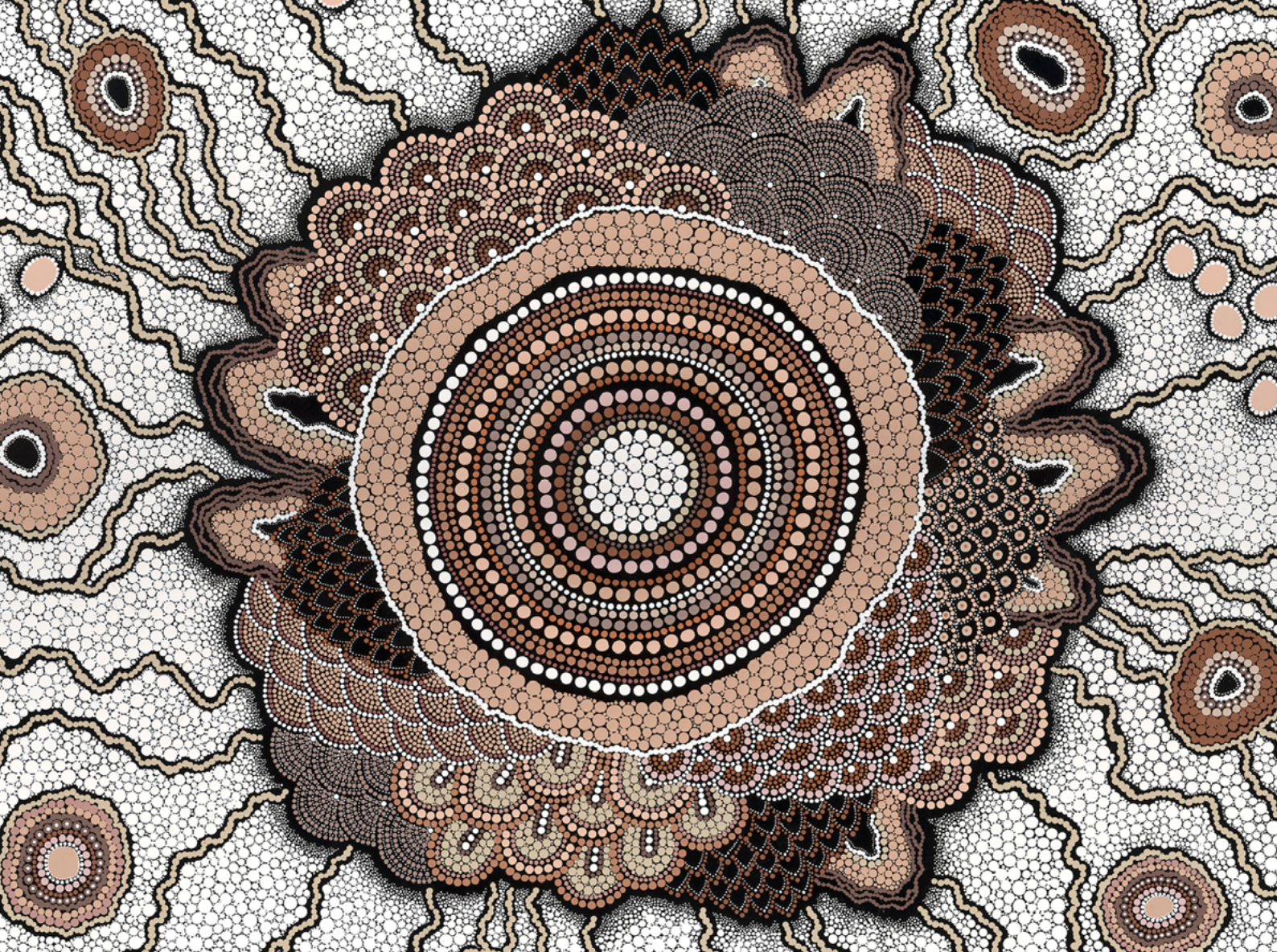
As our primary pay gap is reflective of broader societal issues related to the undervaluation of feminised work, we consider external and national leadership to be critical in driving social change that will benefit our firm, the economy and society.

We are committed to sharing and working with others and being part of broader reform. In this spirit, we are involved in a range of external boards, activities, networks and other professional bodies aimed at breaking down economic disadvantage for women.

Our strong advocacy has resulted in KWM's membership of the G20 Empower Advocates group, a subgroup of the G20 Alliance for the Empowerment and Progression of Women's Economic Representation. The group comprises 25 leading Australian organisations chosen because of their inclusion and diversity leadership. It is an action-driven alliance among businesses and governments to accelerate women's leadership and empowerment across G20 countries.

In October 2023, a report was published by the Women's Economic Equality Taskforce which concluded that Australia could add \$128 billion to the economy through boosting women's workforce participation and productivity growth if we tackle the factors holding women back (*Women's Economic Equality: A 10-year plan to unleash the full capacity and contribution of women to the Australian economy*). The report revealed the negative implications of the undervaluation of feminised work, which is evidenced at KWM in our pay gap. We remain committed to doing all we can to address this structural problem. By working together, we can help reduce economic barriers and build a more gender equitable world.





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A firm born in Asia, underpinned by world class capability. With over 3000 lawyers in 29 global locations, we draw from our Western and Eastern perspectives to deliver incisive counsel.

We help our clients manage their risk and enable their growth. Our full-service offering combines un-matched top tier local capability complemented with an international platform. We work with our clients to cut through the cultural, regulatory and technical barriers and get deals done in new markets.

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