

Axiom Diversity Report 2020



“

**Real change,
enduring change,
happens one step
at a time.** ”

RUTH BADER GINSBURG



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Introduction

Last year, Axiom released our inaugural Diversity Report. In it, we affirmed our ongoing commitment to create a diverse and inclusive workplace. We declared diversity and inclusion a business requirement – one that drives performance, problem-solving, innovation, transformation, productivity, and resilience. We also examined how our model (which offers lawyers a career rooted in empowerment, flexibility, and choice) naturally leads to a more diverse universe of talent than our legal industry peers.

This year, we unwaveringly reaffirm that commitment, but with a newfound mission, mandate, and approach: **Diversity by Design.**

Diversity by Design is a process-oriented framework for engineering and embedding diversity within our operating model, our business practices, and, ambitiously, our industry. It represents a core strategic objective at Axiom – one that is based on a reexamined and reasserted set of critical beliefs.

We believe

- We believe that comparing our business to legal industry peers, while important for context, is insufficient. We're already meaningfully ahead in an industry widely considered subpar.

- We believe that continuous improvement is important but inadequate. The solution must be programmatic, given the systemic nature of the problem.

- We believe diversity efforts don't add up; they compound. We must channel the strength of our business model toward increasingly larger sustainable change for everyone in our ecosystem.

- We believe that any meaningful approach to diversity must be holistic – looking at both our lawyers and our leadership, and working with our clients, peers, partners, competitors, suppliers, vendors, etc.

- We believe our approach must also be specific, disavowing initiatives aimed at improving generic diversity as though it's a one-size-fits-all problem/solution. Instead of “diversity soup,” we must explicitly identify minority groups and respond to the root of their underrepresentation and exclusion.

- We believe transformational diversity is a process – one that should be iterative, frequently assessed, and constantly protected.



In the report that follows, we disclose the findings of an initial benchmarking analysis, relative to statistics from the legal industry and the broader business universe. As we spend the next year rewiring for diversity, we intend to detail more substantive programmatic initiatives and report more meaningful insights and results in our next annual report.

Diversity Statistics¹



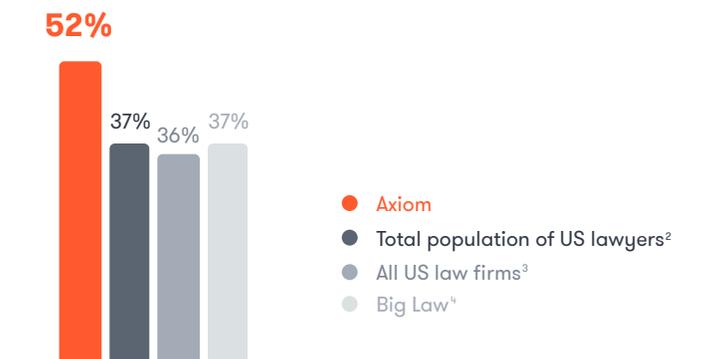
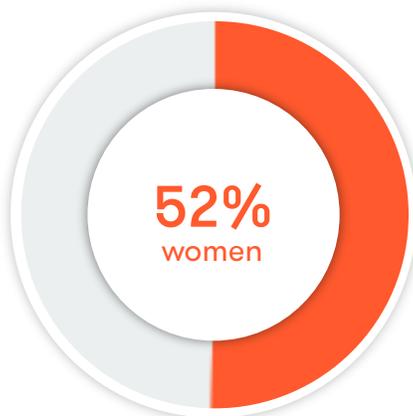
Gender Lawyer Bench

Axiom lawyers have significantly greater gender diversity than the total population of lawyers, lawyers at law firms in aggregate, and lawyers at the nation's largest firms.

Percentage of Lawyers Identifying as Women

AT AXIOM

COMPARED TO THE LEGAL INDUSTRY



1. Statistics on Axiom's "Lawyer Bench" reflect information collected through 12/31/19 for Axiom US-based lawyers. Statistics on Axiom's "Corporate Employees" reflect information collected through 8/15/20 for our US-based employee population.

We acknowledge the room for error and/or potential for minor inaccuracies when making executive-level demographic comparisons between enterprises, due to the variability of executive categories/seniority within different organizations.

2. ABA Profile of the Legal Profession 2020

3. NALP 2019 Report on Diversity in U.S. Law Firms

4. NLJ: The Women in Law Scorecard 2020

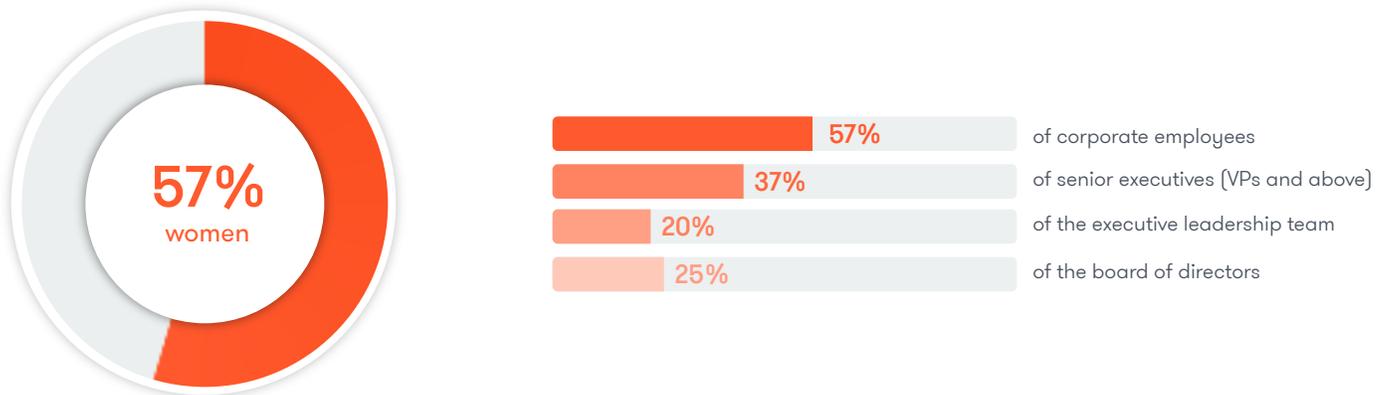
Gender

Corporate Employees

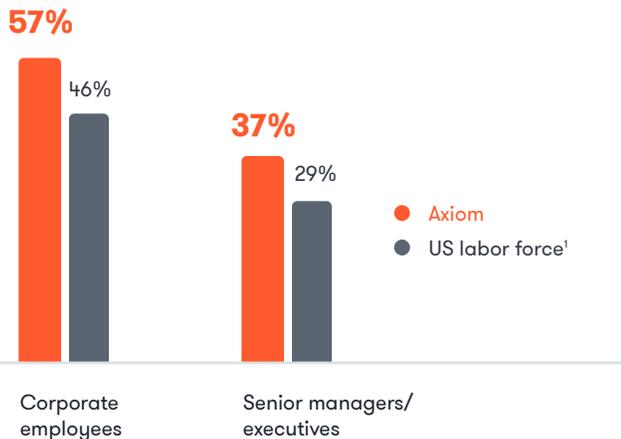
There is no single comprehensive report on gender parity among peer organizations or across other US-based global businesses. There are, however, various studies and research initiatives that demonstrate that the percentage of Axiom employees who identify as women (across our total corporate employee population and in executive positions) is substantially higher than most organizations, including those companies that have received “Best Places to Work” recognitions.

Percentage of Corporate Employees Identifying as Women

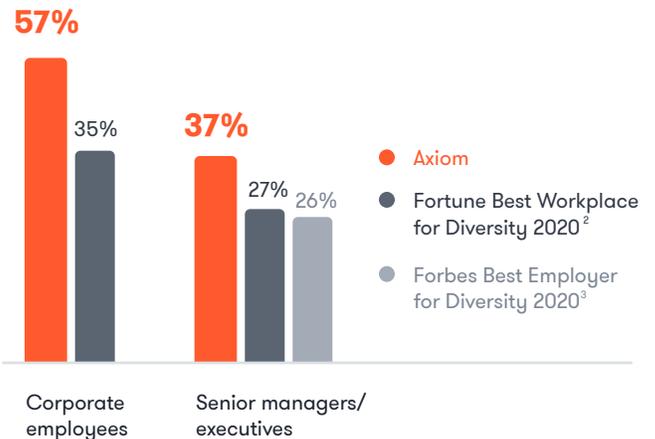
AT AXIOM



IN THE BROADER BUSINESS LANDSCAPE



AMONG DIVERSITY LEADERS



1. Catalyst Women in the Workforce – Global: Quick Take/The World Bank Databank 2019

2. Fortune Best Workplace for Diversity 2020

3. Forbes Best Employer for Diversity 2020

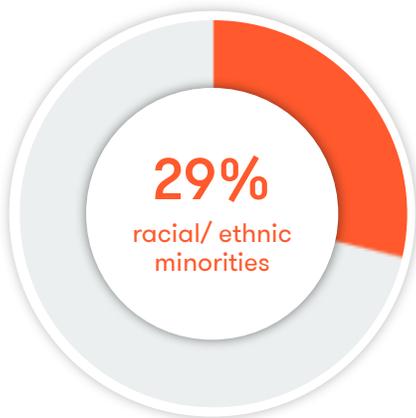
Racial/Ethnic Minorities

Lawyer Bench

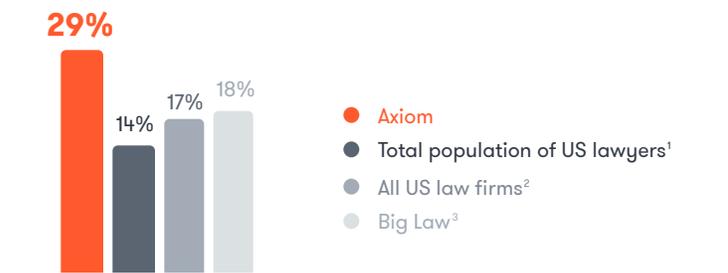
Axiom lawyers are significantly more racially and ethnically diverse than the total population of lawyers, lawyers at law firms in aggregate, and lawyers at the nation's largest firms.

Percentage of Lawyers Identifying as Racial/Ethnic Minorities

AT AXIOM

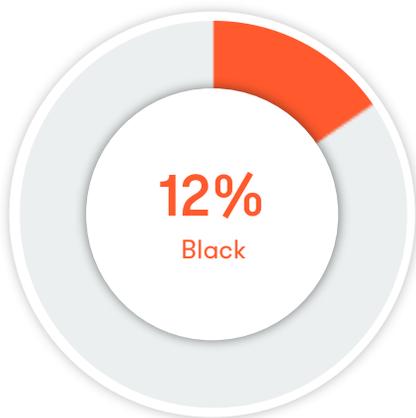


COMPARED TO THE LEGAL INDUSTRY



Percentage of Lawyers Identifying as Black

AT AXIOM



COMPARED TO THE LEGAL INDUSTRY



1. ABA Profile of the Legal Profession 2020

2. NALP 2019 Report on Diversity in U.S. Law Firms

3. ALM: 2020 Diversity Scorecard (AmLaw200 and NLJ250)

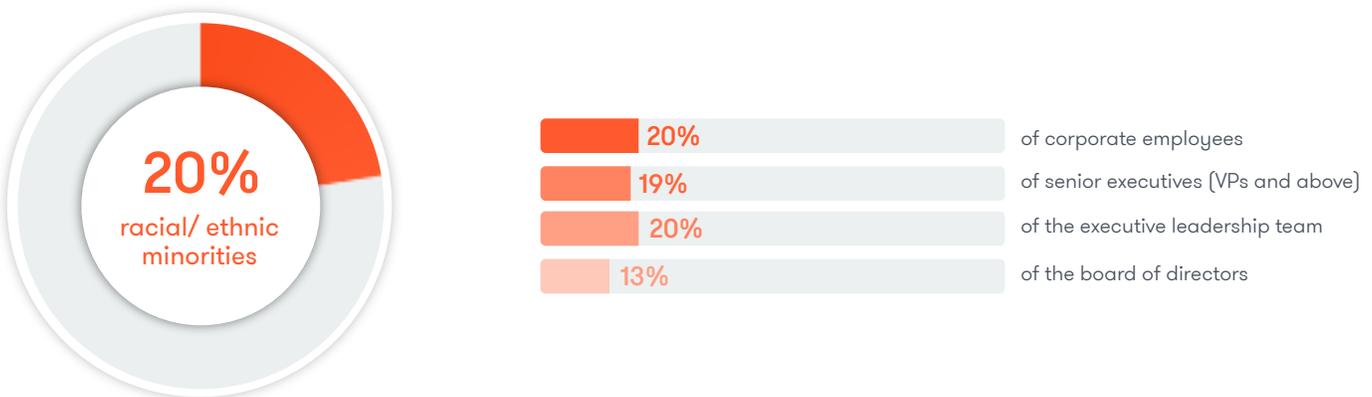
Racial/Ethnic Minorities

Corporate Employees

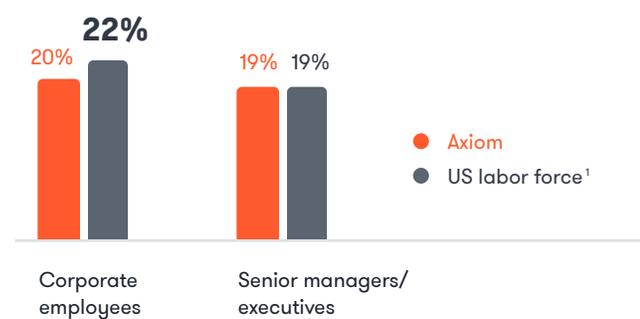
As with gender, there is no single comprehensive report on minority employee/executive representation among peer organizations or across other US-based global businesses. There are, however, various studies that demonstrate the percentage of Axiom employees/executives who identify as minorities is on par with overall averages, but not with notable diversity leaders. These studies and our internal analysis also highlight the underrepresentation of Black employees within Axiom and across the broader business landscape.

Percentage of Corporate Employees Identifying as Racial/Ethnic Minorities

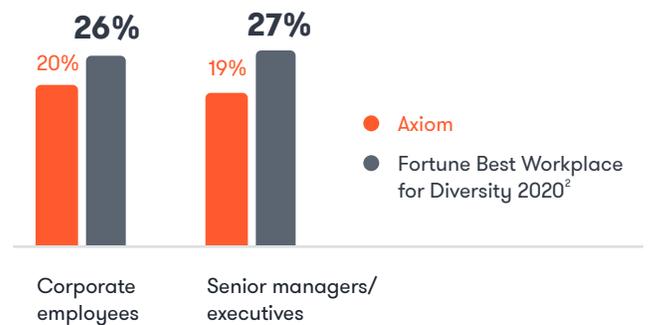
AT AXIOM



IN THE BROADER BUSINESS LANDSCAPE



AMONG DIVERSITY LEADERS

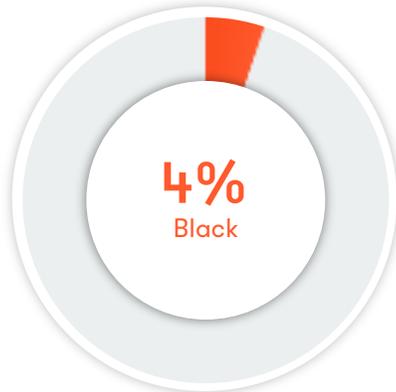


1. Catalyst Women in the Workforce – Global: Quick Take/The World Bank Databank 2019 and US Bureau of Labor Statistics Reports [1082]

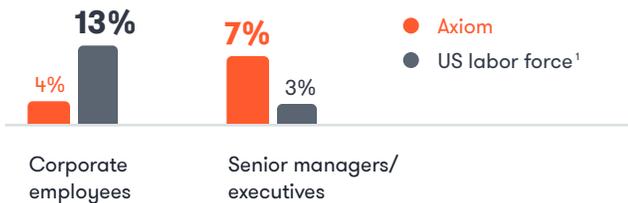
2. Fortune Best Workplace for Diversity 2020

Percentage of Corporate Employees Identifying as Black

AT AXIOM



IN THE BROADER BUSINESS LANDSCAPE



Data like the above, however, does not tell the full story of minority retention and advancement. It doesn't tell the almost universal story of diversity's decline up the legal leadership ladder. To understand that story, to identify the root of those issues, and to appropriately address them, we need to uncover the more insightful statistics, like data on lawyer seniority and tenure.

We must (and will) review each step of our processes to find the hidden hurdles and biases.

1. US Bureau of Labor Statistics Reports [1082]



The Path to Programmatic Progress

By most measures, Axiom is a diversity success story.

Yet, it doesn't quite feel like a success story to us. Being better than an unacceptably low bar is nothing to celebrate.

Twenty years ago, Axiom reimagined legal services. Recognizing the substantive client and lawyer dissatisfaction on both sides of the legal equation, we understood that the traditional industry paradigm was critically broken. We didn't try to fix it. Instead, we were on a mission to replace it, asking: What would it look like if we started from scratch?

Twenty years later it's time to admit something else is broken. It's time to acknowledge the inadequacy of corporate diversity – even among those organizations we celebrate as diversity, equity, and inclusion leaders. It's time to acknowledge the fundamental brokenness of our operations, the insufficiency of our diversity targets, and the inability of traditional diversity programs to effect meaningful change.

It's time to build from scratch, again – hardwiring (or rather, rewiring) our models and processes to have diversity at their core.

This effort will require us to unlock the gates to industry entry, removing the bias that disproportionately values a narrow definition of pedigree. We must not only recruit talent from a broader pool of academic institutions and previous employers, but we must also recognize the value inherent in diversity of experience and skillset.

As such, immediately we are:

- Cementing/further building all of the foundational elements of a traditional D&I program. This program represents a holistic and specific approach to diversity, equity, and inclusion (recognizing underrepresented groups beyond gender and race, like the LGBTQIA+ professional community).
- Investing meaningfully in what “good” looks like:
 - Benchmarking where we are now and where we fall relative to our sector.
 - Identifying the right peer groups to measure against within our industry and outside of it, going forward.
 - Understanding how to assess progress beyond typical diversity yardsticks.
- Prioritizing the increased retention, recruitment, and advancement of Black professionals. That prioritization is a recognition of systemic racism, an acknowledgement that Black professionals have been acutely underrepresented in the law and marginalized in business, and an admission that Axiom has not yet done enough to embrace and advocate for the Black community.

We don't presume to have defined success – not for our company, not for the enterprise legal departments who have thus far been the engine for our industry's diversity efforts, not for the law firms with which we compete, and certainly not for our peers outside of legal. We're just at the beginning of a long-term, more deliberate, evolving, and iterative process.

We do know that any success must have clearly articulated goals, and those goals must be ruthlessly measured. So, in reaffirming our commitment to diversity, equity, and inclusion, we commit to spending the next year embedding diversity within our business, amplifying it outside of our walls, prioritizing Black representation and advancement within our organization, setting explicit diversity KPIs, relentlessly measuring against them, and meaningfully reporting on them.

That's what Diversity by Design is and will be about.

It's a programmatic approach to address systemic inequities. It's an exercise internal to our company that, ideally, projects externally to our ecosystem, amplifying the efforts of our clients and other leading organizations who are also breaking down their processes and rewiring their operations for diversity and inclusion. It's a meaningful step toward overdue, enduring change.