

Employer Statement

2022-2023 Workplace Gender Equality Agency Report

Introduction

At Macpherson Kelley we recognise diversity brings about better outcomes for our clients, the firm and each other. Creating a genuine sense of belonging and inclusiveness is core to our firm values and employee experience. Gender is a pillar of our Diversity, Equity and Inclusion Commitment and closing the gender pay gap is an ongoing strategic priority for Macpherson Kelley, led by the Board and Executive.

In 2023, we commissioned Mercer to provide independent reporting as part of our commitment to transparency in gender pay. We believe it is important to hold ourselves accountable to rigorous independent, expert analysis of our performance in this area. While this analysis demonstrates we have made significant inroads in this area, it also shows we have more work to do.

One of the most significant findings by Mercer is the increasing proportion of female lawyers progressing through to senior roles at the firm. This is a clear demonstration of the efficacy of our strategies, including our talent programs, flexibility initiatives, and success in recruitment policies. In support of this, half of our Managing Principal Lawyers and half of our service line heads are female. We have implemented comprehensive strategies to ensure we deliver continuous improvement and deliver measurable change.

While there is much work to be done, we are proud of our progress. Over the past two years we've embedded changes to our parental leave policy to make parental leave more accessible for both men and women and provide for superannuation on unpaid parental leave. We are committed to achieving equal gender representation at Principal Lawyer level and pay equity linked to performance.

Where pay gaps exist, they primarily reflect the make-up of our workforce. Typical of most law firms, we have a high proportion of administrative and support roles compared to other industries and the majority of these roles are filled by women. Progress in changing the diversity of these positions will be slow, this is a reality of our industry.

What does the data say?

As a firm, we take our obligations concerning gender pay equity seriously.

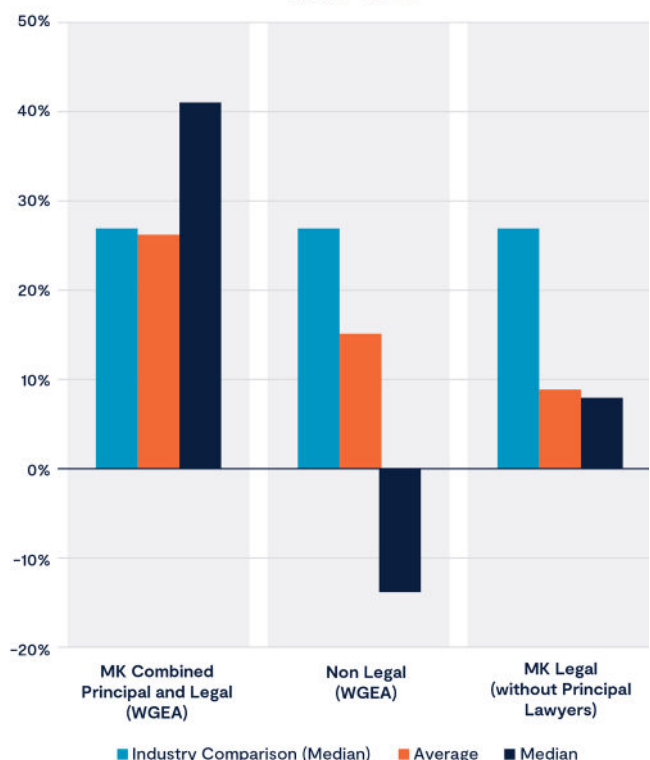
It is difficult to make a like-for-like comparison with Macpherson Kelley and other law firms. Given our company structure Principal Lawyers are included in our reporting whereas other law firms are not required to include partners (fixed draw and equity) in their WGEA analysis. This difference in reporting requirements skews the overall data set.

Macpherson Kelley's pay gap is primarily driven by two things:

1. higher representation of males in higher paid jobs (Principal Lawyers); and
2. higher representation of females in support/service roles. Over 40% of our staff group are women employed in non-legal positions.

The data also presently uses the "median" salaries when comparing pay for male and female staff. The median compares the middle earning male and the middle earning female when earnings are ranked in numerical order. For example, if there are fifteen male employees and 15 female employees, the median compares the salaries of the eighth highest earning male employee and the eighth highest earning female employee, irrespective of what the other male and female employees earn. Conversely, comparing 'average' earnings for males and 'average' earnings for females will be more influenced by outlying salaries (eg. very high or very low earners).

Macpherson Kelley Pay Gap Summary
2022-2023



- We appreciate pay gap reporting is distinct from equal pay. We regard equal pay as an important measure for our context at this time. We have robust procedures in place to ensure we pay our people fairly for equivalent roles and performance. We are proud of our equal pay results that show this is well managed across all roles at Macpherson Kelley. We strive for pay equity where any variance is explainable by measurable performance indicators.
- Planned employee movements – specifically the increase of women in the law and within MK has grown and is expected for further increase in legal positions (including senior legal positions) over the next 5-10 years. Through programs such as MK Future Female Leaders program we will actively support our women to make up a larger and larger proportion of senior legal roles and therefore contribute to reducing the overall pay gap for Macpherson Kelley.



A handwritten signature in blue ink, consisting of two stylized 'G' characters.

Grant Guenther
Managing Principal Lawyer



A handwritten signature in blue ink, consisting of a stylized 'O' followed by 'livia' and a large 'H'.

Olivia Holmes
Chief People Officer