

# Employer Statement

## 2024-2025 WGEA Gender Pay Gap

### A note on the data

The data set out in this report is calculated and reported in accordance with the Workplace Gender Equality Act 2012. The reporting period for this statement is 1 April 2024 - 31 March 2025.

Macpherson Kelley is an incorporated legal practice. Our Principal Lawyers (or the equivalent of Partners in peer firms) are employees of the incorporated legal practice and the vast majority of their remuneration is salary paid by the incorporated legal practice as a result. Accordingly, under the Act we are required to include Principal Lawyer remuneration in our reporting.

It is important to note this is different to the majority of other law firms and law partnerships who have excluded partner remuneration and partnership draws from their WGEA analysis. This difference in legal sector reporting does not present an equal comparison between Macpherson Kelley and industry data. Removing Principal Lawyers from our data set akin to how the majority of peer law firms report their WGEA data reduces our gender pay gap from 25.7% to 8.5% for our incorporated legal practice for this reporting period.

Our organisational goals as they pertain to our gender pay gap and gender equality (consistent with our firm values) include:

- Being transparent with our people about our data and objectives;
- Striving towards and taking steps to positively influence a reduction of our gender pay gap and the achievement of gender equality; and
- The maintenance of pay equity and transparency with our people as to our pay equity data.

We are proud of our efforts in addressing and driving this for our people.

### Our philosophy

At Macpherson Kelley, we recognise:

- The value of diversity of background and thought amongst our people at all levels of the organisation.
- The need for equity and equitable treatment amongst all of our stakeholders and those we interact with.
- The positive impact that a safe and inclusive environment fosters internally allowing our people to feel safe to perform to their highest potential and to produce the best possible outcomes for themselves, for the firm and for its clients.

Macpherson Kelley, led by the Board and Executive, continue to prioritise the pursuit of continuous improvement and of these ideals and values within our firm. Pay gap improvements and ongoing pay equity achievements are an important part of these priorities and initiatives and we are pleased with our continued progress in this space.

### Pay gap and pay equity

We appreciate pay gap reporting is distinct from equal pay. However, there are significant structural and historical features of our workplace composition which will take time (and further societal change) to fully overcome. Those structural challenges and an analysis of their impact on our pay gap are briefly described below.

Whilst we continue to reshape workplace composition over time, we are mindful to ensure that our pay equity remains robust, transparent and fair. Where variance between genders in a similar role / with similar qualifications and experience exists, we want to ensure such variance is explainable by other objective and measurable performance measures. We are proud of our equal pay results that show this is well managed across all roles at Macpherson Kelley.

### Structural challenges

As is the case for many other law firms in Australia and around the world, our gender pay gap is heavily influenced by workforce composition and complex structural issues. This is represented by more women than men in the lower pay quartiles as there is a higher proportion of women in junior legal, legal support and business services and administration roles. A difference in part-time work (predominantly affecting women) also impacts our pay gap.

We have undertaken significant modelling of our data to understand how we can improve our gender pay gap. Whilst we are deeply committed to increasing female representation at senior levels, the impact on our pay gap by achieving equality at all senior levels in the firm will not drastically improve our pay gap (our modelling indicates it would reduce by approximately 10% in that scenario). Nevertheless, this is a priority for the firm.

Currently, 65% of early career lawyers are female. In time, women will make up a greater proportion of the Special Counsel, Senior Associate and Principal roles, improving our workforce composition. As mentioned above, we would see modest improvements in gender pay gap as composition changes at these senior levels.

By 1 July 2028, our goal is for women to comprise 50% of our Principal Lawyer positions. In support of achieving this goal, we continue to invest in programs such as 'Ignite' - our emerging leaders program for women, and will actively support our women to make up a larger proportion of senior legal roles, therefore contributing to reducing the overall pay gap for Macpherson Kelley.

The most impactful structural change occurs if the firm is able to increase male representation to achieve a better-balanced gender ratio at the lower pay quartiles. This is a complex structural issue that has long existed and is a societal change that will take time. Currently, 84% of our support positions are comprised of female staff (typically lower paid positions within our industry). This number has reduced by 3% in the last year. If we were able to reach a balance between male and female staff in these secretarial and support positions, our overall pay gap would reduce by approximately 20%.

### What does the 2024-2025 gender pay gap data show us?

Macpherson Kelley Pay Gap Comparison - Total Remuneration				
		2023-2024	2024-2025	Difference 2023-2024 vs 2024-2025
Legal only including Principal Lawyers	Mean Pay Gap (Total Rem)	32.8%	25.7%	-7.1%
	Median Pay Gap (Total Rem)	37.2%	31.3%	-5.9%
Legal only excluding Principal Lawyers	Mean Pay Gap (Total Rem)	8%	8.5%	+0.5%
	Median Pay Gap (Total Rem)	10%	6.6%	-3.4%
Whole Firm	Mean Pay Gap (Total Rem)	42.4%	37.2%	-5.2%
	Median Pay Gap (Total Rem)	40.9%	35.6%	-5.3%

We are pleased to see the ongoing efficacy of our talent and remuneration strategies resulting in an improvement across the majority of pay gap data points.

### Next steps and Gender Equality Action Plan

We envisage that as our workforce composition changes over time including more females in senior positions and increasing male representation in lower pay quartiles, our pay gap will reduce further. When we get to a point where there is equal gender representation at both senior levels but also amongst our administrative and support roles our modelling indicates our pay gap can improve to approximately 5%. That is our long-term goal.

Improving gender balance in the firm is a key priority. Our Gender Equality Action Plan 2024-2028 sets clear targets to progress gender equality in our firm and the law industry. The Plan demonstrates greater transparency about the steps we're taking to achieve gender and intersectional equality across the following areas:

1. Maintaining pay equity and reducing our gender pay gap.
2. Eliminating any form of gender bias including harassment and discrimination in the workplace.
3. Positively contributing to building understanding of gender issues and drive forward greater gender equality within the legal industry.
4. Allow us to show progress against WGEA's 'gender equality indicators'.

We, along with the firm's Board, Executive and Principal Lawyer Group are committed to continuing our efforts to create a workplace where everyone can thrive. We recognise that we, and the legal industry as a whole, are on a journey to achieve an equal balance of men and women across all roles.



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