



# 2025 Pay gap report

**MACFARLANES**



In this year's pay gap report, we once again publish our gender, ethnicity and social mobility pay gaps. We continue to run our Inclusion programmes which help us to make progress and a few notable moments from 2025 are highlighted on the following pages.

Report figures taken at a statutory snapshot date of 5 April 2025.

The figures presented in this report have been rounded to two decimal points.

## Progress

- In 2025, nine lawyers were promoted to the Partnership, of which 67% were women. As a result, as at 5 April 2025, 29% of our Partners were women and 6% were from an ethnic minority background.
- There were six promotions to Senior Counsel, 50% of which were women and 33% were from an ethnic minority background.
- In Business Teams, at Director level, female representation stands at 71% and ethnic minority representation is 43%.

We know that continued focus and momentum is key. Our action plan for our 2026 partnership targets continues to shape our strategy and during 2025 we published our [four year update report](#).



**Luke Powell**  
Managing Partner

# 2025 highlights



## Launch of SEEN (SocioEconomic Equity Network)

In January 2025, we launched our newest Inclusion network, SEEN. SEEN was created with the aim of advocating for and educating on social mobility. We have made significant progress over the last few years, with notable achievements including reassessing our Early Careers recruitment processes, our unique training scholarship in partnership with Brunel University, our data collection and analysis, the development of the Macfarlanes Legal Academy, and the work we do in collaboration with our partnerships, such as upReach. Prior to this year, our journey had been focused on attraction and recruitment; SEEN was introduced to nurture a sense of belonging at the firm and to create a forum to discuss how we can continue our journey.

We hosted our first SEEN event in July to mark Social Mobility Day. A panel event on "shifting mindsets" was facilitated by social mobility experts, upReach, with panellists from Macfarlanes sharing stories about how they navigated the legal sector from socially mobile backgrounds.



## Working Families Top 30 Employer 2025

This year, we were ranked as one of Working Families' Top 30 Employers for 2025. We were recognised for the support we offer to our working carers and parents, for example, five paid days of Carer's Leave, our enhanced back-up care and the update to our adoption policy to now include surrogacy leave. Working Families is the UK's national charity for working parents and carers and their annual list announces the top flexible and family-friendly employers in the UK.



## Black History Month keynote speaker, Baroness Floella Benjamin DBE

To mark Black History Month 2025, we hosted a keynote speaker event with Baroness Floella Benjamin DBE. Floella is an accomplished Trinidadian-British producer, actor, presenter and parliamentarian. During this event, Floella shared her inspiring life journey from her childhood in Trinidad and Tobago to the challenges and opportunities she experienced moving to the UK as a young Black girl in the 1960s.



## Diversity Partner Champions Committee and BlueSky

Each practice area has a Diversity Partner Champion who works closely with the other partners in their department to develop and implement their diversity action plans, provide updates to their teams and encourage participation. The committee meets regularly, together with the Inclusion and CSR team, to share ideas and to collaborate. Recently, the committee met BlueSky, our new maternity coaching provider. The committee heard about BlueSky's programme which focuses on peer coaching and networking with women lawyers across a range of firms, how this impacts the women in their practice areas and how this involves Partners.



## Sikh faith community group

We have several faith community groups under our REACH (Race, Ethnicity and Cultural Heritage) network, including groups for our Christian, Jewish and Muslim colleagues. In 2025, we introduced our newest group, our Sikh Faith Community group. This group organised our first Vaisakhi cultural lunch where we enjoyed a traditional spread of food and learnt about the festival from our colleagues who practice the faith.



## Legal CORE awarded Outstanding Collaboration at British Legal Awards 2025

We were pleased to have won the Outstanding Collaboration award at this year's British Legal Awards for our work on establishing the Legal Collaboration on Race and Ethnicity (Legal CORE) alongside our partner firms and founding members: A&O Shearman, Ashurst, Clifford Chance, Freshfields, HSF Kramer, Linklaters, Norton Rose Fulbright and Slaughter and May.

The award recognises how Legal CORE, in partnership with race equity experts Rare Technology, has funded the Hemisphere Education programme, a pioneering racial literacy programme that helps schools address disparities in outcomes and experiences for pupils of Black and minority ethnic heritage. The Legal CORE founding members, as well as 40 other collaborating firms, are paying for the Hemisphere Education programme to be delivered in more than 60 state schools across England and Scotland.

# Statutory reporting

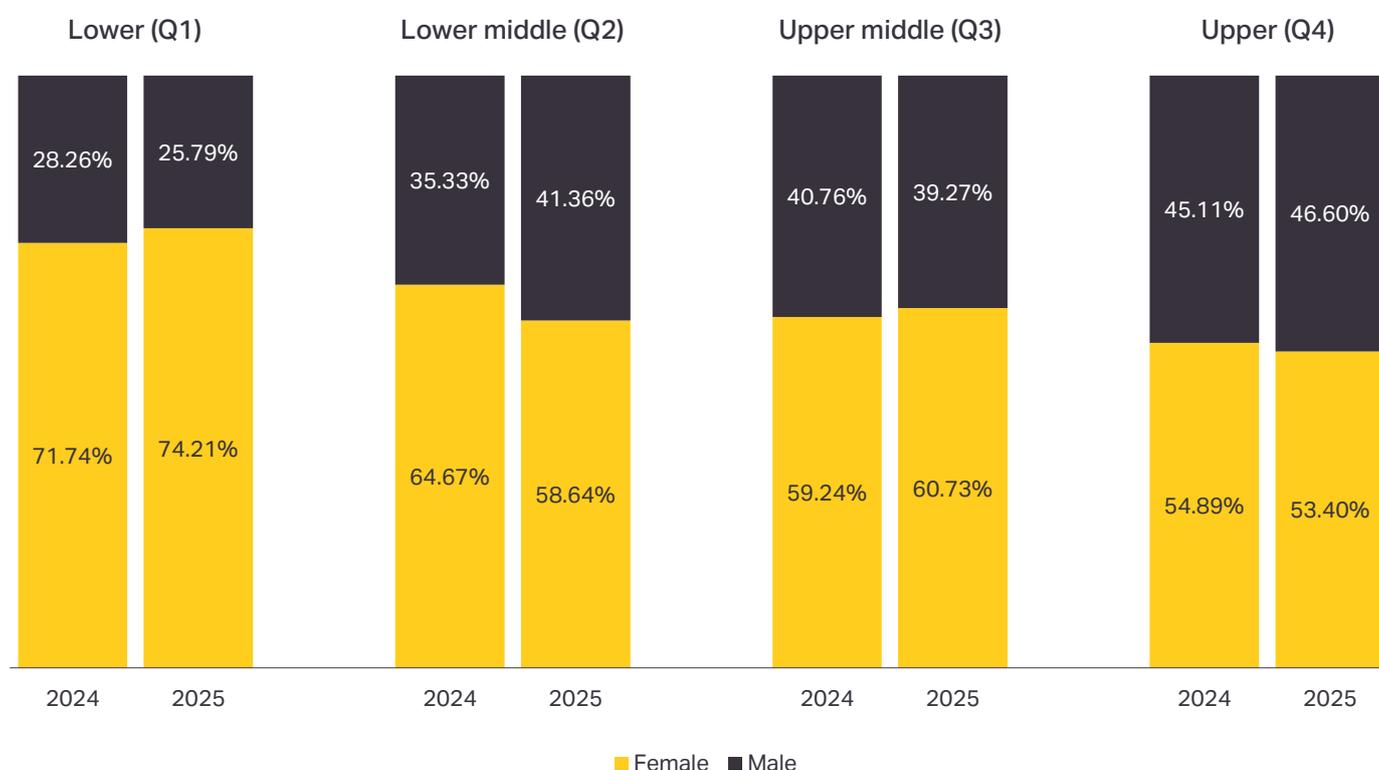
## Employee gender pay gap

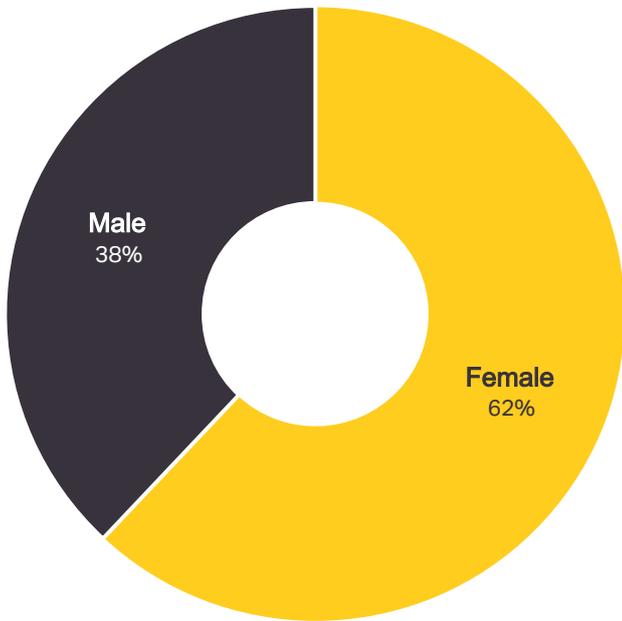
This section shows the difference between the average hourly pay at 5 April 2025 for all male and all female employees, regardless of their seniority.

Gender pay gap			
	2025 hourly pay gap	2024 hourly pay gap	Variance
Mean	15.22%	14.51%	+0.71%
Median	44.20%	43.05%	+1.15%

Our gender pay gap is primarily driven by the shape of our business. We have a higher percentage of women in our Business Teams and PA teams, where the market rate for salaries is generally less than for qualified fee earning roles.

## Gender pay quartiles (actual pay)





## Macfarlanes gender split

As at the reporting date of 5 April 2025, across the firm we had a split of 62% female employees to 38% male employees. This is a similar split to previous years.

## Employee gender bonus gap

96% of our employees received a bonus last year.

Proportion of males and females who were paid a bonus			
	2025	2024	Variance
Female	95.97%	93.93%	+2.03%
Male	95.21%	95.64%	-0.43%

The legislation states that *actual pay received* is used in the bonus calculation instead of a full-time equivalent (FTE). This has created a higher gap than if we had used the adjusted FTE figures as we have more women than men in part time roles, whose bonus is pro-rated to reflect their working pattern. In 2025, 85% of women were working full time compared to 96% of men.

Bonus gap			
	2025	2024	Variance
Mean	29.33%	29.56%	-0.23%
Median	29.84%	26.06%	+3.78%

## Who is included in the data?

Alongside the statutory employee gender pay gap figures (calculated on an actual pay basis as set out in the legislation), we include additional calculations for our Partner and Associate groups, and our Business Teams. Please see page 8 for a fuller explanation of how we are calculating these figures this year.

# Additional voluntary reporting

In a partnership structure, which includes both Partners and employees, applying the Government's pay gap methodology requires us to exclude Partners from the reporting (as they are not employees). However, for clarity we publish our additional pay gap data below to include Partners in the calculations.

## Our approach to additional pay gap calculations for this 2025 report

Partners receive a share of the firm's profits at various points in the year. Therefore, to enable us to compare the Partners' earnings with the rest of the firm for the purpose of this additional pay gap reporting, we use the hourly rate for both Partners and all employees, based on total earnings.

- For Partners, this is the annual profits for the 12 months to 31 March 2025.
- For employees, total earnings comprise two components; their annual salary at 5 April 2025 plus any performance and firmwide bonus paid during the relevant period.

We use fully adjusted pay figures to account for working patterns and extended periods of leave. So, for example, for someone who works on a part time basis their total earnings are incorporated more usefully within the broader context i.e. their bonus is no longer pro-rated according to their working pattern.

## Gender pay gap analysis

Combined partner and employee pay gap			
	2025	2024	Variance
Mean	66.08%	69.61%	-3.53%
Median	40.95%	35.94%	+5.01%

This gap is a result of significantly higher levels of remuneration received by Partners compared to the rest of the firm and the smaller number of female Partners, particularly senior female, Partners. As at 5 April 2025 we had 99 Partners - 29 were female (29%) and 70 were male (71%).

Associate pay gap			
	2025	2024	Variance
Mean	-0.49%	-0.86%	+0.37%
Median	2.01%	-0.93%	+2.94%

During the reporting period, 56% of our Associates were female and 44% were male.

Partner pay gap			
	2025	2024	Variance
Mean	30.86%	32.81%	-1.95%
Median	62.65%	62.79%	-0.14%

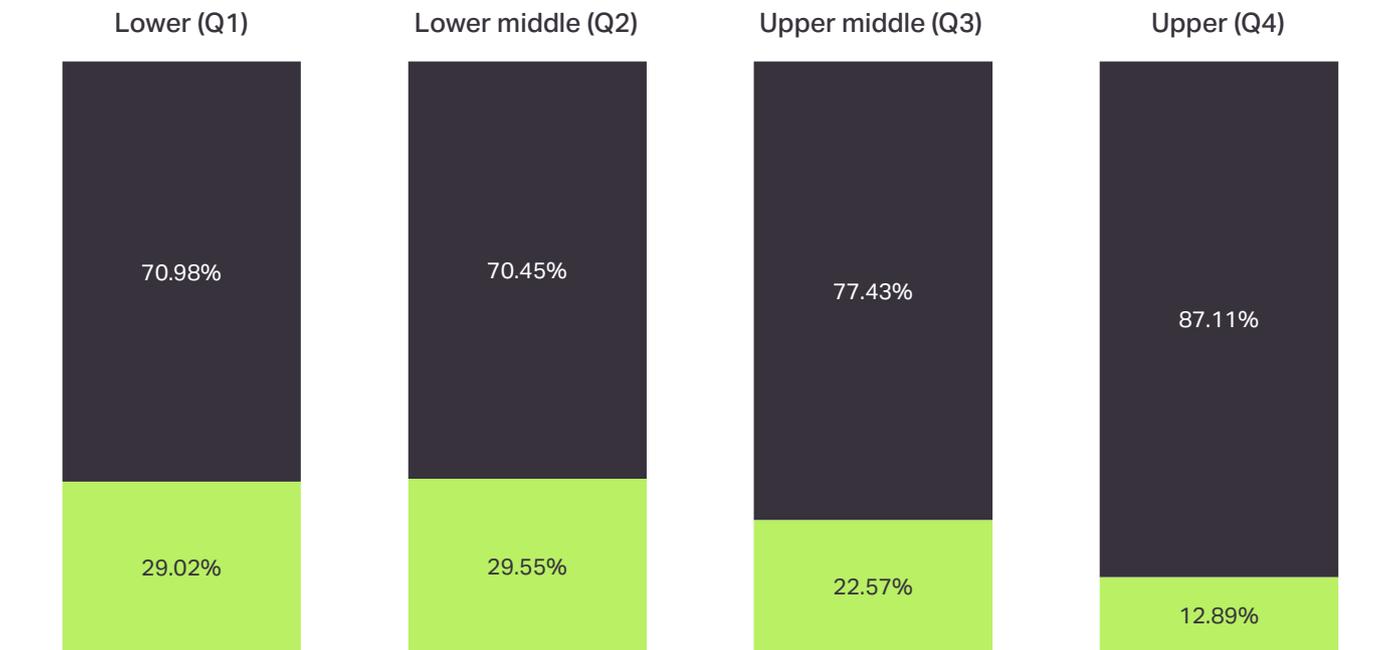
Business Teams (excluding PAs) pay gap			
	2025	2024	Variance
Mean	-4.01%	-2.40%	-1.61%
Median	4.22%	6.82%	-2.60%

We had no male PAs during the reporting period. Therefore we have excluded the PA population from this breakdown to ensure that the most meaningful data is analysed.

# Ethnicity pay gap analysis

Our ethnicity data is based on a response rate of 98%. For the purposes of this report, we have grouped this data into black and minority ethnic (BME) and white.

At 5 April 2025, 23% of the firm identified as BME, 37% of our Trainees identified as BME and 26% of our Directors and Head of Departments roles identified as BME.



■ BME ■ White

Combined partner and employee pay gap			
	2025	2024	Variance
Mean	66.26%	67.82%	-1.56%
Median	50.09%	40.42%	+9.67%

Partner pay gap			
	2025	2024	Variance
Mean	24.46%	27.70%	-3.24%
Median	60.58%	63.79%	-3.21%

Associate pay gap			
	2025	2024	Variance
Mean	4.70%	4.89%	-0.19%
Median	6.87%	5.71%	+1.16%

Business Teams pay gap			
	2025	2024	Variance
Mean	4.06%	6.61%	-2.55%
Median	-2.00%	2.22%	-4.22%

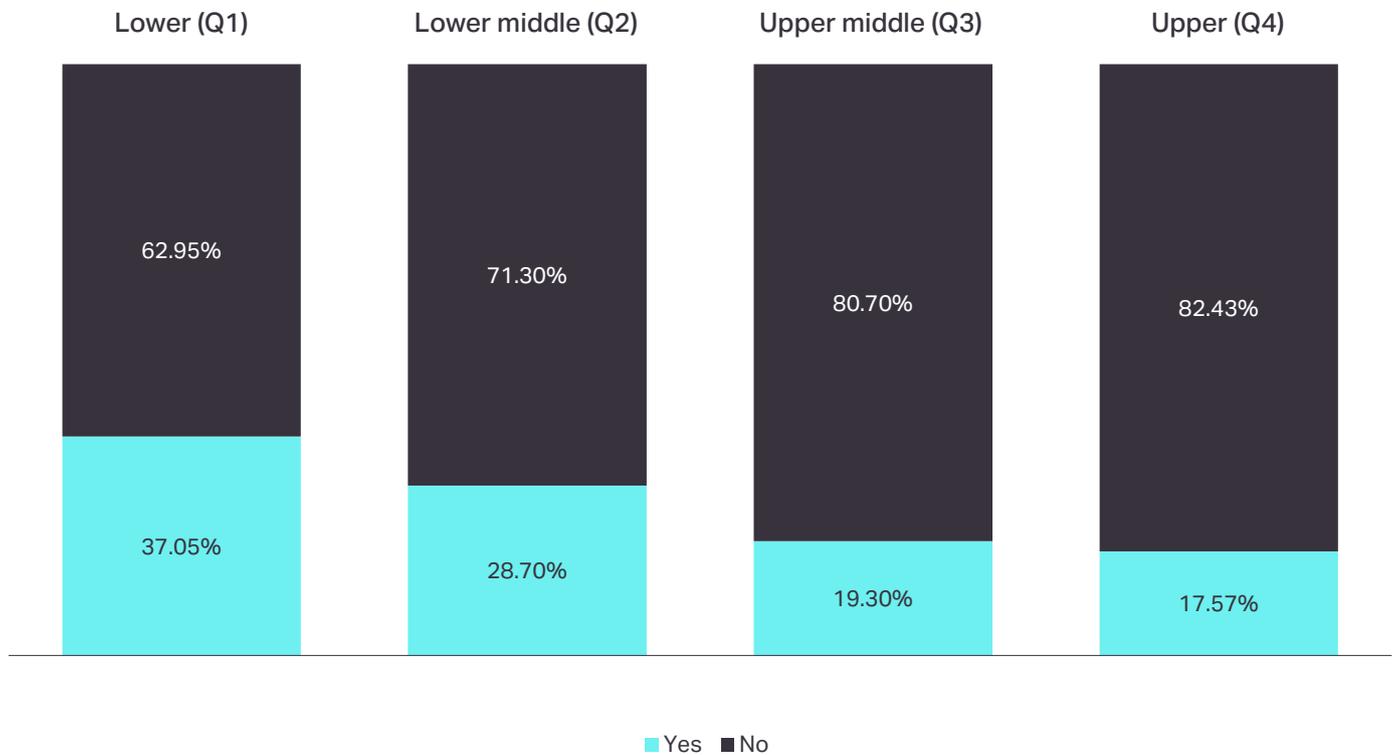
During the reporting period, 22% of our Associates identified as BME and 78% identified as white.

# Social mobility pay gap analysis

Socio-economic background is nuanced and involves the cumulative layering of several different personal experiences.

When determining someone's socio-economic background within the firm, in addition to the category recommended by the Social Mobility Commission (the occupation of the main earner in the household at the age of 14), we also consider further indicators to build a more comprehensive picture of someone's experience. These indicators include: receipt of pupil premium, refugee or carer status and needing to be employed in a job during term time.

Our response rate is 98.2% and based on these responses, as at 5 April 2025, 25% of the firm, including Partners, is socially mobile.



Combined partner and employee pay gap			
	2025	2024	Variance
Mean	36.68%	36.03%	+0.65%
Median	58.09%	50.62%	+7.47%

Partner pay gap			
	2025	2024	Variance
Mean	-6.01%	-0.84%	-5.17%
Median	0.00%	0.00%	0.00%

Associate pay gap			
	2025	2024	Variance
Mean	0.39%	-3.24%	+3.63%
Median	1.94%	-3.70%	+5.64%

Business Teams pay gap			
	2025	2024	Variance
Mean	13.89%	12.73%	+1.16%
Median	2.65%	4.35%	-1.70%

## Definitions and calculations

- **How is pay gap different to equal pay?:** It is important to highlight that the pay gap is a measure that shows the difference in "average" pay between two groups of employees e.g. men and women and does not take into account workforce composition or job roles. It is not the same as equal pay, which addresses the differences between employees in equivalent roles carrying out equal work – something that the firm fully adheres to through continual monitoring and checks that are built into our reward processes throughout the year. Please see the last page of this report for a full explanation of the calculations performed and key definitions.
- **Ethnic minority:** Partners and employees who have reported their ethnicity as black, Asian or minority ethnic.
- **Quartiles:** all relevant employees are ranked from the lowest earners in the firm to the highest earners and then divided into four equal parts ("quartiles"). Taking gender as an example, the percentage of men and women in each of the quartiles is then calculated. Quartiles are useful for highlighting any patterns of pay distribution.
- **Mean and median:** using gender as an example, the median average is the number in the middle. It shows the difference between the middle earning male and the middle earning female of a group i.e. the "typical" difference. The mean figure is what is often described as the 'average' - adding together the hourly rate of each male employee and each female employee and dividing the totals by the number of male and female employees respectively.
- **Negative gap (-%):** a negative percentage figure indicates a pay gap in favour of women, ethnic minority or socially mobile people.
- **Pay gap:** a measure that shows the difference in 'average' hourly rate of pay between two groups of employees (for example men and women) which does not take into account workforce composition or job roles. These figures are not the same as equal pay calculations, which analyse the differences in pay between employees in similar job roles doing 'equal work'. We undertake rigorous reviews of our reward practices to ensure that we adhere to the equal pay legislation. Our pay gaps are driven by the current shape of our business.
- **Reporting:** two sets of calculations set out in our report; statutory figures and additional reporting.
- **Statutory:** every UK employer with more than 250 staff is required to report annually on a number of data points using the snapshot date of 5 April each year. This includes the median and mean gender pay gaps, the difference in average bonuses and the share of men and women in each pay quartile. Full time equivalent (FTE) figures are used for employees' salaries. However, the reporting legislation states that for the bonus calculations based on gender, we need to report on actual bonus pay. As a business with a partnership structure, our Partners are not employees and are therefore removed from the statutory reporting.
- **Additional:** to give a more accurate picture, we publish additional data including overall figures for the firm (including Partners) and break downs by Partner, Associate and Business Teams. We also publish our ethnicity and social mobility figures. For this additional reporting, we use annual FTE earnings figures as Partners are remunerated differently and do not receive a salary and bonuses.

# MACFARLANES

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20 Cursitor Street, London EC4A 1LT | T +44 (0)20 7831 9222 | [macfarlanes.com](http://macfarlanes.com)