

UK DIVERSITY PAY GAP REPORT

2025

OVERVIEW

Our vision is to be known as an inclusive and diverse firm, where all our people feel they can be themselves and thrive at work.

At Stephenson Harwood, it starts with people: their experiences, perspectives, and ideas. We listen and we learn, building on each other's strengths. Inclusion isn't just a line in our policy; it's the thread running through everything we do. It's what helps us to build meaningful connections, find sharper answers, and collectively deliver stronger results. Because together we achieve what we couldn't alone. We remain committed to making real progress in diversity and inclusion.

Understanding our data, including representation and trends, is a fundamental part of our people strategy and our commitment to inclusion. We have set diversity targets to support us to focus and progress our diversity and inclusion actions; we refreshed those targets in 2025. We publish our progress annually and you can read our latest report [here](#). Pay gap reporting is one of the many tools we use to drive transparency and accountability.

Our pay gap report covers gender, ethnicity and socio-economic pay gaps. For gender pay, we go beyond the statutory requirements and include data on Partners in this report to gain more robust insights. Both ethnicity and socio-economic pay gap reporting are voluntary.

Once again, we have analysed data on our LGBT+ and disabled colleagues, but due to the population size of each of those minority groups, these data sets are not statistically robust and do not provide meaningful insights. Therefore, we have not reported on these populations. We will continue to keep this under review for future pay gap reporting.



REBECCA CARTER
London Office
Managing Partner



KATHERINE WENBOURNE
Chief People and
Talent Officer

OUR ACTION PLAN

Our action plan targets the things that we believe will have the greatest impact in the long term:



MONITORING PAY AND PROGRESSION IN OUR TALENT PIPELINE

We monitor pay and promotion decisions by gender and ethnicity to identify trends, assess progress, and take appropriate action.



DEVELOPMENT AND SPONSORSHIP OPPORTUNITIES

As part of MyCareer, the firm's career development framework, every Associate benefits from a dedicated career manager to support them to achieve their professional goals at the firm.



RECRUITMENT

We want to make sure that our recruitment processes are open and attractive to all. We are committed to seeking gender balanced and diverse shortlists for experienced hires and increasing the representation of ethnic minority lawyers in our firm. We apply these principles within our internal recruitment team and require the same approach from the recruitment agencies that we work with to source candidates.



RESOURCE ALLOCATION

We know that equality of opportunity is key to progression and reward. We continue to apply careful scrutiny to how we allocate resources. Our work allocation programme supports us in ensuring that the distribution of work is equitable.



FLEXIBLE WORKING

We continue to encourage open conversations about our professional and personal commitments, and our people's wellbeing needs. We are committed to maintaining this principle of flexibility, supporting colleagues to manage their work and personal lives.



PROCESSES AND POLICIES

We continue to review our processes and policies ensuring that they reflect the inclusive and progressive firm that we aspire to be.

HIGHLIGHTS SINCE OUR LAST REPORT

- + In 2021, we outlined our commitment to improving minority ethnic representation at our firm, publishing our UK ethnicity action plan, which outlined aspirational targets and the actions that we would take to meet them. We followed that with global gender targets at leadership level in February 2022. May 2025 marked the close of those targets. We reported on our progress and outlined refreshed goals for the next three years. As at 1 May 2025, 13% of our UK Partners were from ethnic minority backgrounds and 32% of our global partnership were women. In May 2025, we promoted 12 new Partners, four of whom were women.
- + As part of our Ethnicity Action Plan, we continue to run the Articles Plus programme, which supports ethnic minority and working class Trainees to navigate their training contracts. The programme equips Trainees to have productive conversations with their supervisors, understand how to develop networks and to build on constructive feedback.
- + In September 2025, our first cohort of Solicitor Apprentices began their SQE qualifications and have integrated into our Trainee cohorts. We have developed a workshop to help Apprentices make a meaningful impact in their training contracts and prepare for progression to Associate roles.
- + For the third year in a row, we have been named a Top 75 employer in the Social Mobility Employer Index. This year we have been ranked 45th. The Index, an initiative by the Social Mobility Foundation, evaluates organisations on their efforts to improve social mobility in the short, medium and long term.
- + Colleagues continue to use our public holiday exchange policy which enables team members to exchange up to three public bank holidays for an alternative date of their choice. While this policy is for everyone, one of the key aims is to offer additional flexibility to colleagues from diverse cultural and religious backgrounds.
- + This year we signed up to the Halo Code, a UK based pledge created by the Halo Collective to end hair discrimination in the workplace, especially for people with Afro-textured hair.
- + In October 2024, we launched the Open Door support network directory, giving female Associates easier access to a range of Partners across the firm who are keen to offer advice and guidance to those earlier in their career journeys.
- + We have launched our Flexible Working Stories series which showcases experiences from our colleagues of how they work differently to balance their personal and professional demands.
- + This year we conducted a listening exercise with our business services colleagues to inform our approach to inclusion. We are implementing a range of actions based on feedback received.



UK Diversity

ETHNICITY PAY



ETHNICITY PAY 2025

Following gender pay reporting principles, this report compares average earnings of Black, Asian and Minority Ethnic (BAME) and White colleagues at the firm as of 5 April 2025, and bonuses paid in the preceding 12 months.

We recognise that our ethnic minority colleagues have diverse experiences and ethnic identities and that using the categories of Black, Asian and Minority Ethnic (BAME) and White may fail to capture this. However, due to the size of the individual populations, we cannot report on specific ethnic groups.

The data below is based on 73% of our total UK population; those who have not disclosed their ethnicity data are not included. Based on this data, 23% of our UK colleagues are from ethnic minority backgrounds.

The key cause of our ethnicity pay gap is that we have fewer ethnic minority colleagues in our most senior roles. These gaps are different from equal pay; we are committed to ensuring our people are paid equally for doing equivalent jobs across our business.

SNAPSHOT OF OUR ETHNICITY PAY GAP



The mean and median hourly pay gaps for the firm including Partners, and for employees only, have increased.



The mean and median bonus gap for employees has increased.



There is a smaller gap between the percentage of BAME and White colleagues receiving a bonus and more BAME and White colleagues received a bonus this year.

DEFINITIONS AT A GLANCE

Mean: The difference between the mean (average) hourly pay for all BAME and all White employees.

Median: The difference between the 'middle' rate of pay and bonus for all BAME employees and all White employees, when pay and bonus are ranked in numerical order.

This section shows the pay gap for our combined Partner and employee population. These figures include total annual earnings (salary and bonus).

PAY (INCLUDING PARTNERS)

2025

42.5%

Mean

31.3%

Median

2024

39.3%

Mean

23.6%

Median

2023

43.7%

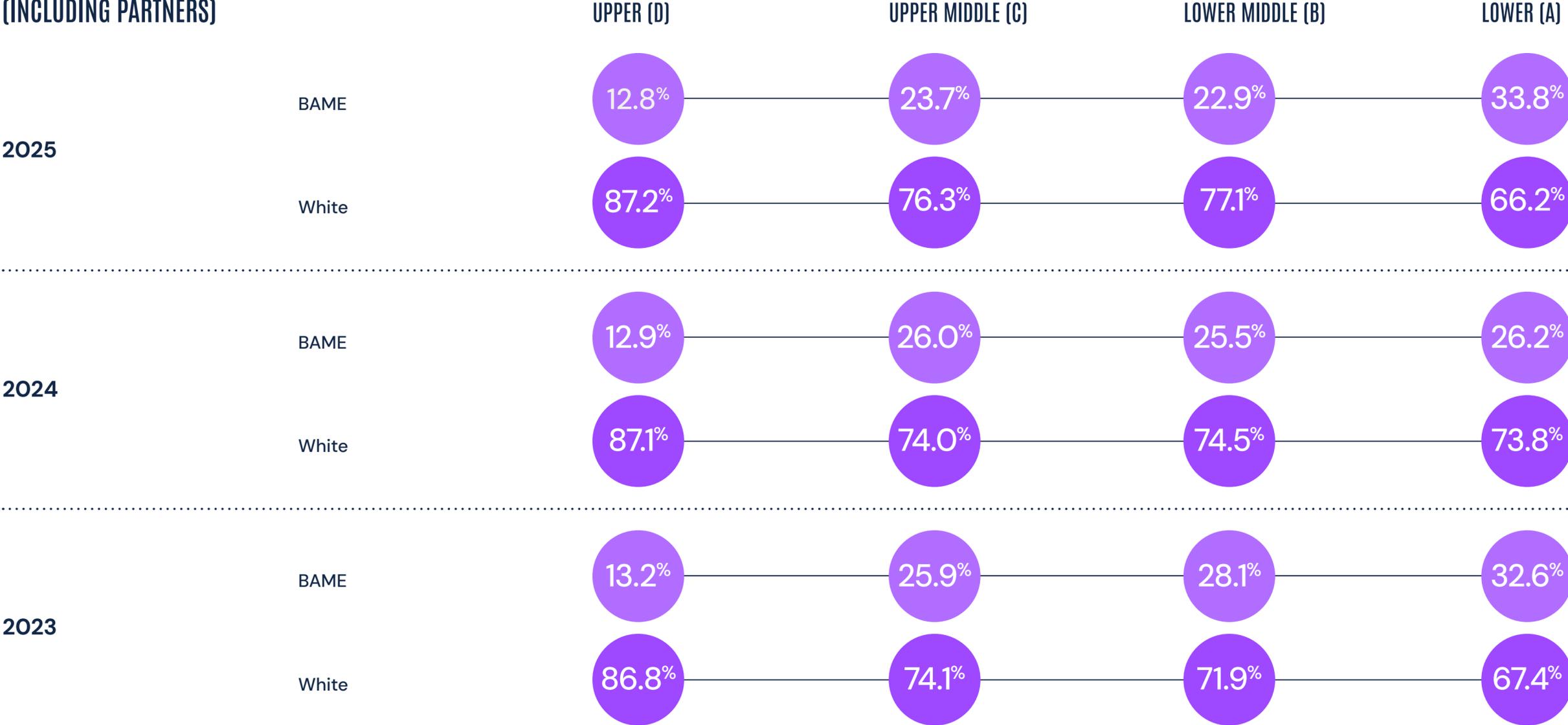
Mean

25.0%

Median

ETHNICITY PAY 2025

PAY QUANTILES (INCLUDING PARTNERS)



ETHNICITY PAY 2025

HOURLY PAY (EXCLUDING PARTNERS)

2025

19.5%

Mean

29.4%

Median

2024

10.9%

Mean

21.5%

Median

2023

15.1%

Mean

27.6%

Median

BONUS (EXCLUDING PARTNERS)

2025

49.0%

Mean

46.4%

Median

2024

39.0%

Mean

28.9%

Median

2023

27.1%

Mean

22.7%

Median

PERCENTAGE RECEIVING A BONUS (EXCLUDING PARTNERS)

2025

58.6%

BAME

61.8%

White

2024

40.5%

BAME

44.4%

White

2023

39.1%

BAME

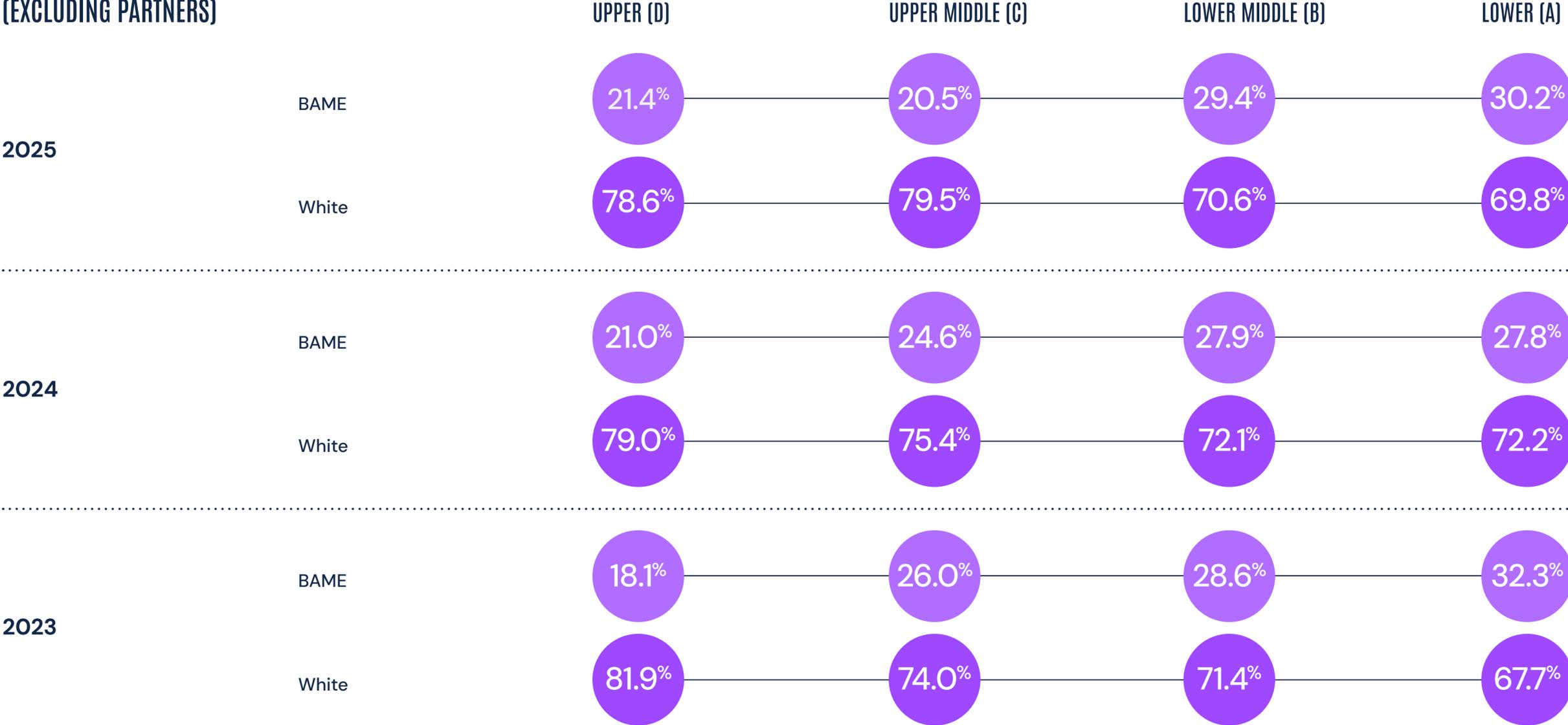
48.7%

White

We offer a variety of bonus schemes and mechanisms for fee earners and business services employees. Some bonuses are directly linked to salary and are capped, while others are independent of salary and uncapped. Therefore, bonus figures in this reporting may fluctuate annually. Every year we do detailed role-specific analysis on bonuses, and we analyse data beyond the three years published externally to identify longer-term trends.

ETHNICITY PAY 2025

PAY QUANTILES (EXCLUDING PARTNERS)



+

UK Diversity

GENDER PAY

GENDER PAY 2025

This report compares average earnings of female and male colleagues at the firm as at 5 April 2025, and bonuses paid in the preceding 12 months. Once again, this year we are voluntarily including data on gender pay gaps for our London-based partners and also for our combined London-based partner and employee population.

Government regulations require us to report on the gap between men and women. However, we appreciate that not everyone will identify in these binary categories.

The most significant cause of our gender pay gap continues to be the composition of our workforce. We have a higher proportion of men in our most senior roles and more women in our more junior business services and administrative roles, which predominantly fall into the lowest pay quartile. These gaps are different from equal pay; we remain committed to ensuring our people are paid equally for doing equivalent jobs across our business.

SNAPSHOT OF OUR GENDER PAY GAP



The mean pay gap for the whole firm including partners is relatively unchanged; the median has decreased.



The mean hourly pay gap for employees has increased; the median has decreased.



For employees only, the mean bonus gap has increased. The percentage of female employees receiving a bonus has increased and there is a smaller gap between the percentage of male and female colleagues receiving a bonus.



There is a slight increase in the proportion of women in the upper pay quartile.

This section shows the pay gap for our combined Partner and employee population. These figures include total annual earnings (salary and bonus).

PAY (INCLUDING PARTNERS)

2025

49.9%

Mean

35.2%

Median

2024

49.7%

Mean

39.9%

Median

2023

50.6%

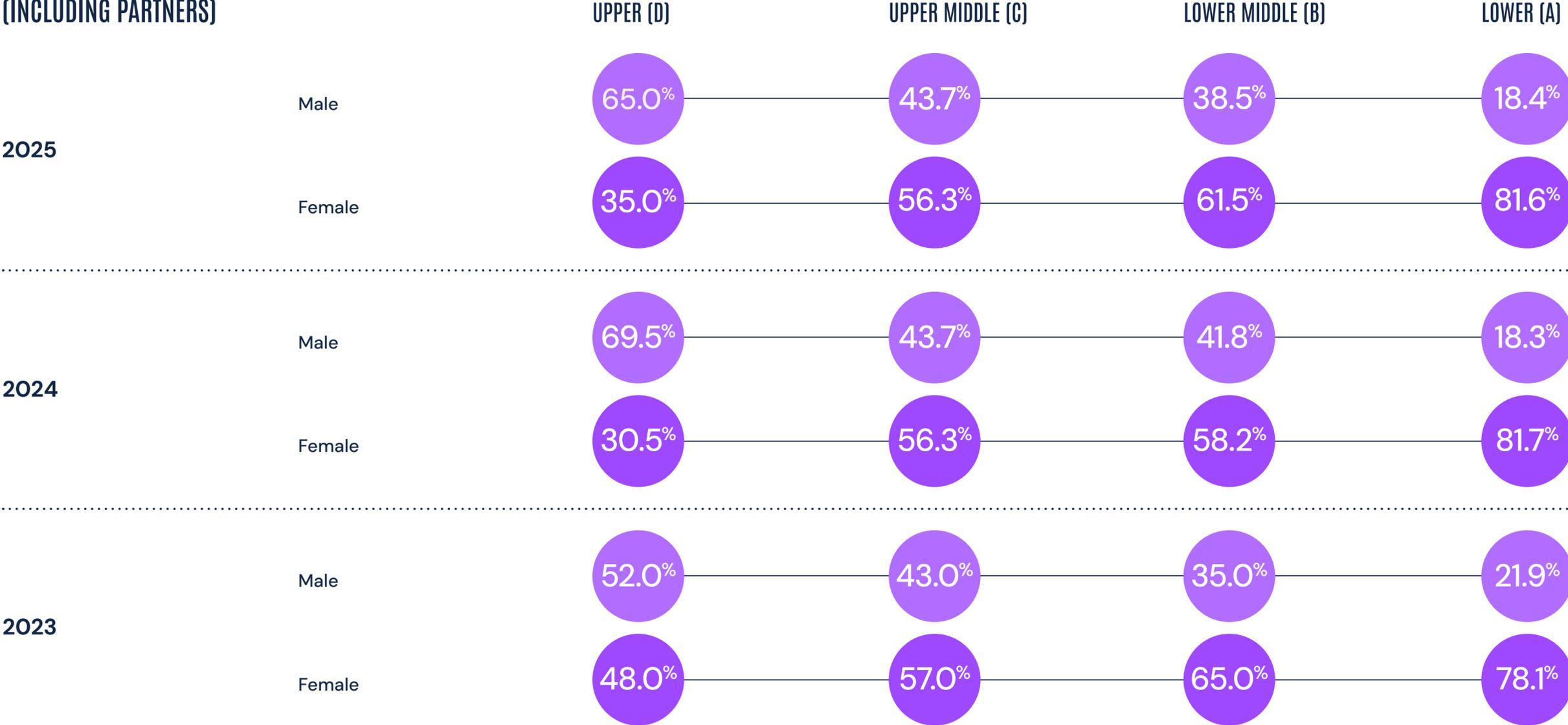
Mean

35.6%

Median

GENDER PAY 2025

PAY QUANTILES (INCLUDING PARTNERS)



STATUTORY REPORTING: OUR EMPLOYEE GENDER PAY DATA

HOURLY PAY (EXCLUDING PARTNERS)

2025

22.0%

Mean

33.2%

Median

2024

19.8%

Mean

38.2%

Median

2023

19.7%

Mean

32.3%

Median

BONUS (EXCLUDING PARTNERS)

2025

41.5%

Mean

38.9%

Median

2024

31.9%

Mean

28.4%

Median

2023

40.3%

Mean

45.4%

Median

PERCENTAGE RECEIVING A BONUS (EXCLUDING PARTNERS)

2025

56.3%

Male

54.2%

Female

2024

42.7%

Male

39.8%

Female

2023

45.1%

Male

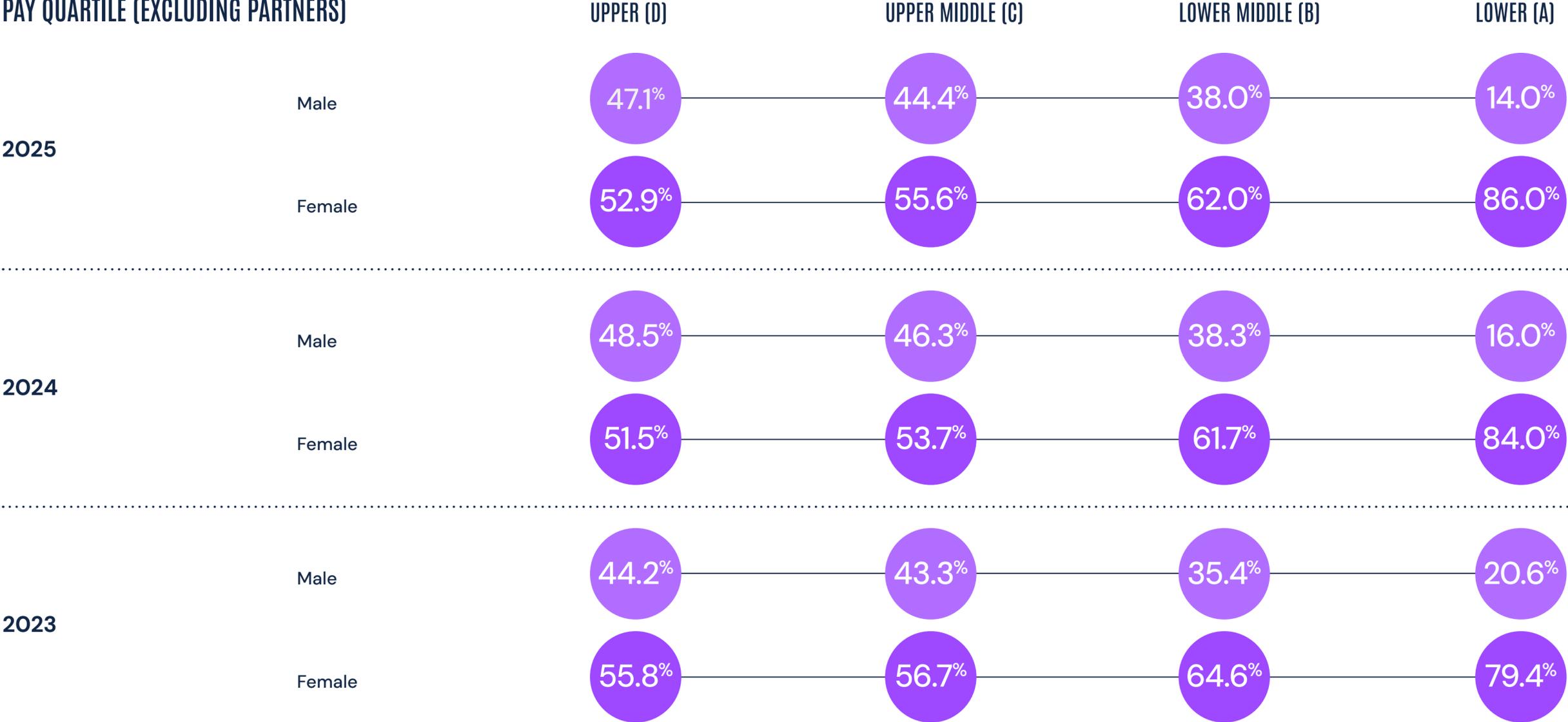
39.4%

Female

We offer a variety of bonus schemes and mechanisms for fee earners and business services employees. Some bonuses are directly linked to salary and are capped, while others are independent of salary and uncapped. Therefore, bonus figures in this reporting may fluctuate annually. Every year we do detailed role-specific analysis on bonuses, and we analyse data beyond the three years published externally to identify longer-term trends.

GENDER PAY 2025

THE PROPORTION OF EMPLOYEES IN EACH PAY QUARTILE (EXCLUDING PARTNERS)



+

UK Diversity

SOCIO-ECONOMIC PAY

SOCIO-ECONOMIC PAY 2025

Once again, we are publishing our socio-economic pay gap data as part of our efforts to identify any barriers to career progression amongst those from lower socio-economic or working class backgrounds.

Following gender pay reporting principles, this report compares average earnings of colleagues from 'working class' and 'professional' backgrounds at the firm as at 5 April 2025, and bonuses paid in the preceding 12 months.

Our method for reporting on socio-economic background is based on guidance from the Social Mobility Commission, which states that the question relating to parental occupation at 14 years old is the single most accurate representation of socio-economic background. The Social Mobility Commission groups this into three categories: 'professional', 'intermediate', and 'working class'. As we have a small number of employees that fall within the 'intermediate' category, our data focuses on reporting on colleagues from the professional and working class categories.

THE SOCIAL MOBILITY COMMISSION CATEGORISES JOBS INTO THE FOLLOWING GROUPS:

- + *Professional*: accountant, engineer, journalist, nurse, police officer, scientist, solicitor, teacher
- + *Intermediate*: call centre agent, nursery nurse, paramedic, restaurant manager, secretary, small business owner
- + *Working class*: caretaker, cleaner, electrician, farm worker, plumber, receptionist, security guard, train driver.

Our data is based on 77% of our total UK population; those who have not disclosed their socio-economic data are not included. Based on this data, 18% of our UK colleagues are from working class backgrounds and 77% are from professional backgrounds. Of the disclosed population 5% are from intermediate backgrounds, but the calculations we use focus on the gap between working class and professional backgrounds.

The key cause of our socio-economic pay gap is that we have higher representation of people from lower socio-economic backgrounds in the lower and lower middle pay quartiles which are predominantly made up of more junior business services roles. These gaps are different from equal pay; we are committed to ensuring our people are paid equally for doing equivalent jobs across our business.

SOCIO-ECONOMIC PAY 2025

SNAPSHOT OF OUR SOCIO-ECONOMIC PAY GAP



For the whole firm, the mean pay gap had decreased whilst the median has increased.



The mean pay gap for employees has decreased while the median hourly pay gap for employees has increased.



The percentage of working class colleagues receiving a bonus has increased and is marginally higher than colleagues from professional backgrounds.

This section shows the pay gap for our combined Partner and employee population. These figures include total annual earnings (salary and bonus).

PAY (INCLUDING PARTNERS)

2025

9.0%

Mean

31.9%

Median

2024

18.5%

Mean

28.6%

Median

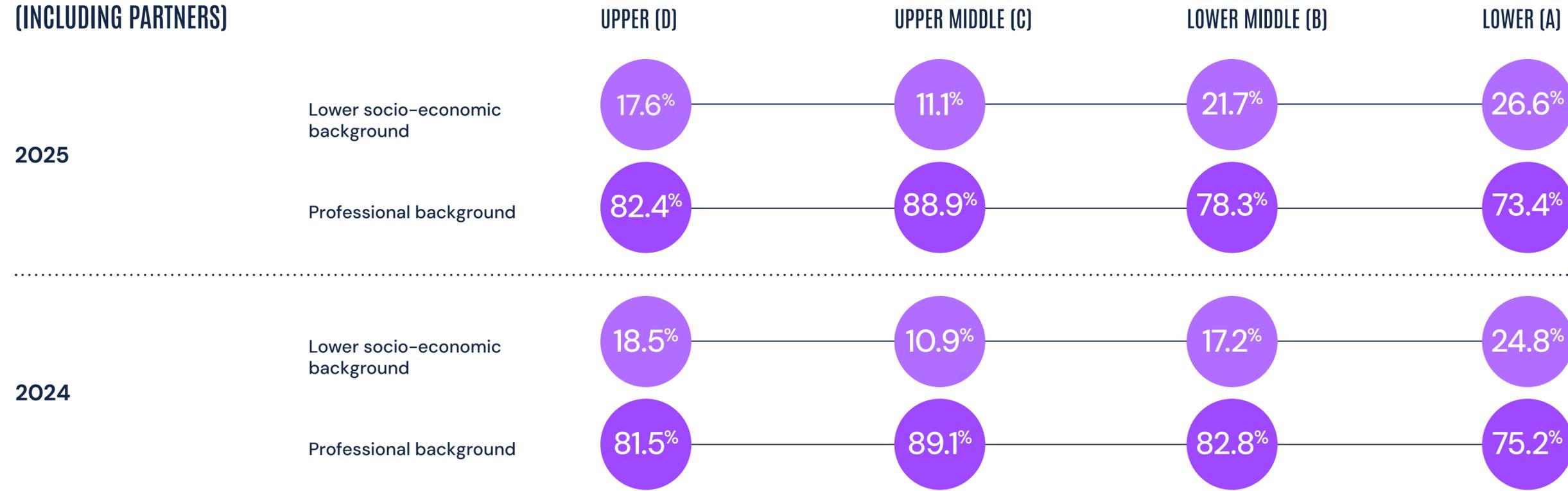
DEFINITIONS AT A GLANCE

Mean: The difference between the mean (average) hourly pay for all working class and all professional employees.

Median: The difference between the 'middle' rate of pay and bonus for all working-class employees and all professional employees, when pay and bonus are ranked in numerical order.

SOCIO-ECONOMIC PAY 2025

PAY QUANTILES (INCLUDING PARTNERS)



SOCIO-ECONOMIC PAY 2025

HOURLY PAY (EXCLUDING PARTNERS)

2025

14.7%

Mean

40.2%

Median

2024

14.2%

Mean

36.3%

Median

BONUS (EXCLUDING PARTNERS)

2025

-63.9%

Mean

27.6%

Median

2024

1.6%

Mean

30.5%

Median

PERCENTAGE RECEIVING A BONUS (EXCLUDING PARTNERS)

2025

63.0%

Lower socio-economic background

61.2%

Professional background

2024

54.2%

Lower socio-economic background

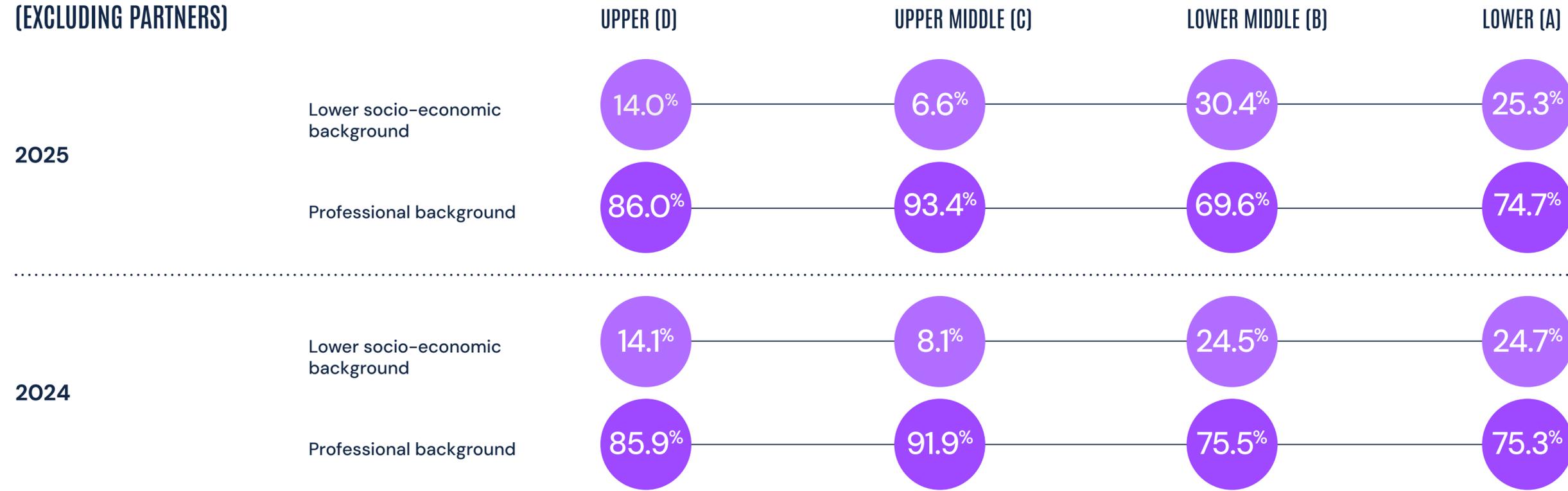
43.1%

Professional background

We offer a variety of bonus schemes and mechanisms for fee earners and business services employees. Some bonuses are directly linked to salary and are capped, while others are independent of salary and uncapped. Therefore, bonus figures in this reporting may fluctuate annually. Every year we do detailed role-specific analysis on bonuses, and we analyse data beyond the three years published externally to identify longer-term trends.

SOCIO-ECONOMIC PAY 2025

PAY QUANTILES (EXCLUDING PARTNERS)



STEPHENSON HARWOOD

© Stephenson Harwood LLP 2025. Any reference to Stephenson Harwood in this document means Stephenson Harwood LLP and/or its affiliated undertakings. Any reference to a partner is used to refer to a member of Stephenson Harwood LLP.

2119473