



Marshalls – Gender Pay Gap Statement - March 2024

At Marshalls, we're wholly committed to promoting equity and preventing discrimination at work. This includes making sure that all of our colleagues are paid fairly whatever their individual characteristics. We value the opportunity to report on the gender pay gap, which looks at differences between the average hourly pay of men and women, and between the bonus payments made to colleagues of each gender.

Gender pay versus equal pay

It's important to highlight that a gender pay gap is different to equal pay. While both measures share the same broad objective of eliminating sex discrimination in relation to pay, the two are frequently confused.

- **A gender pay gap** is the difference between the average gross hourly earnings for *all* men and the average gross hourly earnings for *all* women, irrespective of their role or seniority. It captures any overall pay differences between men and women in an organisation
- **Equal pay** is ensuring that men and women are not paid differently for doing the same or like-for-like work within an organisation. This is looked at based on the roles people are doing

Equal pay on its own does not prevent a gender pay gap. Gender pay gaps generally exist where the majority of men are in higher paid roles and the majority of women are in lower paid roles.

The measures

- **Mean** the pay/bonus values for male colleagues are added together then divided by how many there are e.g. $1+2+3=6$, $6/3=2$. The same is done for female colleagues
- **Median** the middle pay/bonus value where the values for male colleagues are arranged smallest to largest. The same is done for female colleagues
- **Quartiles** the pay values for male and female colleagues are arranged smallest to largest then divided into 4 equal groups (quartiles)
- **Positive pay/bonus gap** where pay/bonus for male colleagues is higher than that for female colleagues on any measure, the gap will be a positive number e.g. 5%
- **Negative pay/bonus gap** where pay/bonus for female colleagues is higher than that for male colleagues on any measure, the gap will be a negative number e.g. -5%



Gender balance

On the snapshot date of 5 April 2023, the Group's* total UK workforce for the purposes of gender pay reporting comprised of 2,509 employees with the following gender balance.

	2023		2022		2021	
	Male	Female	Male	Female	Male	Female
Total Workforce	2,063 (82%)	446 (18%)	2,231 (83%)	461 (17%)	2,124 (86%)	402 (14%)
Directors and Senior Managers**	14 (74%)	5 (26%)	9 (69%)	4 (31%)	10 (71%)	4 (29%)

**Directors includes NEDs, CEO, COO, and CFO, Marley CEO; Senior Managers comprises of Exec Committee and Company Secretary

At a Group level, the overall percentage gender split of male and female employees has remained stable between 2022 and 2023, which is an indication of our continued commitment to attracting and retaining women.

* Marshalls plc and Marshalls Group Ltd are separate legal entities, with Marshalls plc employing support functions including HR and IT and Marshalls Group Ltd largely employing colleagues who interact directly with our products such as Operations and Sales, as well as some support functions that interact directly with our sites. Marshalls acquired the Marley Group on 29 April 2022, and they'll continue to disclose their gender gap data separately until the business is fully integrated into the Marshalls Group. The Gender Pay Gap data for Marley can be found under the name of Marley Ltd. Therefore, reference to 'Group' does not include Marley colleagues.

Gender pay gap

We believe in transparency and so we voluntarily publish the gender pay gap figures for both Marshalls plc and Marshalls Group Ltd (as well as a combined figure). Marshalls plc employs less than 250 people, so is currently below the threshold for mandatory reporting, but we've chosen to include this data in order to provide the full picture.

Our gender pay gap is based on amounts paid in April 2023 (for UK employees).

	2023		2022		2021	
	Mean Gender Pay Gap	Median Gender Pay Gap	Mean Gender Pay Gap	Median Gender Pay Gap	Mean Gender Pay Gap	Median Gender Pay Gap
Marshalls Group Ltd	7.1%	14.1%	13.4%	18.2%	8.8%	12.9%
Marshalls plc	26.2%	34.8%	25.6%	35.9%	29.3%	38.8%
Overall	-11.6%	10.7%	-5.5%	13.5%	-5.8%	12.2%

Marshalls Group Ltd

The mean and median pay gaps have narrowed compared to 2022, meaning that average pay for female colleagues is closer to the average for male colleagues. A factor in this is a greater proportion of women being in mid-level roles in the business, which is crucial for developing a pipeline of female talent for the senior positions.

Marshalls plc

There's now a slightly larger mean pay gap (weighted towards male colleagues), in part due to changes in the leadership structure which sits in this part of the business. The median pay gap reduced.

Overall

The change within Marshalls Group Ltd impacted the overall mean pay gap more than the mixed picture for Marshalls plc, because most colleagues work in Marshalls Group Ltd. This means the overall mean pay gap has widened (weighted towards female colleagues), in line with average male pay in Marshalls Group Ltd not being as far above that for women. The median pay gap has decreased in line with Marshalls Group Ltd and Marshalls plc.

	Upper quartile		Upper middle quartile		Lower middle quartile		Lower quartile	
	Male	Female	Male	Female	Male	Female	Male	Female
Marshalls Group Ltd	86%	14%	93%	7%	93%	7%	72%	28%
Marshalls plc	63%	37%	63%	37%	37%	63%	24%	76%
Overall	81%	19%	89%	11%	90%	10%	69%	31%

Marshalls Group Ltd

The shift of mean and median towards women is echoed in the quartiles where the proportions of male employees have decreased from 88% in the upper quartile and increased from 67% in the lower quartile.

Marshalls plc

The mixed picture is visible in the quartiles, as male employees have slightly increased in the upper quartile (from 61%) and decreased more significantly in the lower quartile (from 29%).

Overall

Male employees have decreased in the upper two quartiles (from 83% and 91%), in line with the changes to both measures.



Bonus Gender Pay Gap

Mean Bonus Gap

The Overall and Marshalls Group Ltd mean bonus gap figures have changed from a negative gap to a positive gap, while Marshalls plc's mean bonus gap decreased. A factor in this is the small number of one-off exceptional share awards to both male and female employees, which matured in 2022. Another factor is the steps taken to retain HGV Drivers in a very competitive market in 2023, a male-dominated occupation both externally and at Marshalls.

Median Bonus Gap

The Overall and Marshalls Group Ltd median bonus gap figures are similar to those in 2021. (The median in 2022 was exceptional as the company paid a fixed value 'Thank You' bonus in recognition of the hard work and commitment shown during the global pandemic the previous year. This meant the median gap was 0%). The Marshalls plc median bonus gap has moved from a positive gap in 2022 to a negative gap. This is because of the relative average seniority of eligible female employees, resulting in higher bonus payments.

	2023		2022		2021	
	Mean Bonus Gap	Median Bonus Gap	Mean Bonus Gap	Median Bonus Gap	Mean Bonus Gap	Median Bonus Gap
Marshalls Group Ltd	22.2%	42.9%	-15.2	0%	60.7%	40.7%
Marshalls plc	65.3%	-8.9%	79.5%	0%	90.7%	31.8%
Overall	39.5%	30%	-57.6%	0%	78.9%	29.8%